



Daily Report

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Daily Report

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General

XINHUA Feature Views UN Decision on Tibet

OW0603085692 Beijing XINHUA Domestic Service
in Chinese 0216 GMT 5 Mar 92

["Feature" by Shi Guangyao (2457 0342 5069): "A Just Cause Gains Great Support, an Unjust One Gains Little"]

[Text] Geneva, 5 March (XINHUA)—At 8:00 PM Geneva time on 4 March 1992—that is, in the wee hours on 5 March by Beijing time—the 17th meeting room of Geneva's International Palace was brilliantly illuminated. This is the place where the 48th session of the UN Commission on Human Rights was held. The chairman of the meeting (Shuete) announced that the commission adopted, by 27-15 votes and with 11 abstentions, a proposal from Pakistan to take no action on the draft resolution on "the situation in China and Tibet," which was tabled by some Western countries. The move foiled the attempt to interfere in China's internal affairs and split China under the pretext of the so-called human rights issue.

The so-called draft resolution on the "situation in China and Tibet" is a product painstakingly created by an extremely small number of people who formerly rode roughshod over the masses of Tibetan serfs, and who are today vigorously engaged in splittist activities in Tibet in a vain attempt to restore their lost privileges, along with some international hostile forces. As early as the evening before the opening of this current human rights conference, they dished out a so-called draft resolution on the "situation in Tibet," peddling it to the member states of the human rights commission and observer delegations. They reversed right and wrong by describing the efforts made by the Chinese Government to carry out democratic reform, abolish the serf system, safeguard and promote the Tibetan people's freedom in politics, economics, national culture, and religion as "infringing on the human rights of the Tibetan people" in a vain attempt to internationalize the "issue of human rights in Tibet" created entirely by them and to achieve their final objective of separating Tibet from China. Once the meeting began, they struck out in all directions in an attempt to force several member states of the Human Rights Commission to submit the draft resolution to the meeting, only to be rejected by each and every one of them. Finally the Western countries had no alternative but to take action themselves; however, even some of them saw the draft resolution as having the obvious aim of splitting China. In an effort to hoodwink people, the creators of the draft resolution repeatedly altered the draft, trying by hook and by crook to cover up traces of their incitement of Tibetan independence and their political aim of splitting China. In this way, on 3 March they offered a revised draft resolution entitled "The Situation in China/Tibet" to replace the draft resolution on the so-called "Situation in Tibet".

After copies of the revised draft were distributed, it continued to receive little support at the meeting. The creators of the draft resolution hurriedly pressured, but failed to force, other members of the Human Rights Commission to accept the revised draft. Their only choice was to postpone deliberation on the revised draft to buy time for maneuvering. In the end, however, no country was willing to lend its name in sponsoring this motion.

When the chairman of the meeting announced this motion without naming the sponsor, the Chinese delegate sternly pointed out that postponement of the deliberation could not be justified. Bulgaria, Brazil, Chile, Iran, and Libya also stood up one after another against the motion. The result of the voting showed that China was supported by 45 countries, and only three countries voted for the motion with an unnamed sponsor.

Ambassador Fan Guoxiang, head of the Chinese delegation, incisively pointed out: The real purpose of the draft resolution was by no means to show concern for so-called human rights, but to openly instigate and support the attempt by a small handful of Tibetan splittists in exile abroad to separate Tibet from China through fabricating the so-called "problems of human rights in Tibet."

The Pakistani delegate also emphasized in his speech: Since China's seat in the United Nations was restored, the UNGA and all UN member states have recognized Tibet as an integral part of China. The draft resolution, which undermines China's territorial integrity and sovereignty, can only encourage a small handful of advocates for Tibetan independence, and therefore is against the objective and principles of the UN Charter. The Pakistani delegate proposed that the Human Rights Commission take no action on the draft resolution.

Pakistan's proposal received strong support from many Asian, African, and Latin American countries. They unanimously condemned the "dirty" draft resolution for interfering in China's internal affairs, for trampling upon its sovereignty, and for violating the goal and functions of the Human Rights Commission. Meanwhile, they fully affirmed the Chinese Government's measures and efforts to improve human rights conditions in China over the years; and they affirmed the Chinese Government's long-term and sincere cooperation with the UN Human Rights Commission, as well as the rapid economic development and marked improvement of the people's livelihood in China. In accordance with the procedures of the meeting, the Human Rights Commission finally voted on the Pakistani proposal by roll call. The outcome of the vote showed that the proposal received an overwhelming majority.

Indeed, a just cause gains great support and an unjust one gains little.

Comparison to Foreign Ministry on Tibet Issue

CM0603155492

Beijing RENMIN RIBAO OVERSEAS EDITION in Chinese on 6 March carries on page 1 a report by staff reporter Liu Huaxin entitled "Foreign Ministry Spokesman on UN Human Rights Commission Motion Deciding Not To Vote on So-Called 'China-Tibet Situation'." This version has been compared with the XINHUA English version published in the 5 March China DAILY REPORT, page 1, revealing the following variations:

Column one, paragraph eight, first sentence reads: Beijing, March 5 (RENMIN RIBAO)—The Foreign Ministry spokesman issued a statement today on the UN Commission on Human Rights adopting a motion with an overwhelming majority, deciding not to put to a vote the draft resolution on "the situation in China/Tibet," which was tabled by some Western countries.

At today's weekly... (changing dateline, rewording);

Column two, paragraph three, only sentence reads: ...a handful of elements who in the... (changing word "Tibetans" to "elements").

Commentator Denounces 'Guardians of Human Rights'

HK0603064192 Beijing RENMIN RIBAO
OVERSEAS EDITION in Chinese 6 Mar 92 p 1

[Commentator's article: "'Guardians of Human Rights' Find Scant Support for Their Unjust Cause"]

[Text] On 4 March, the 48th meeting of the UN Human Rights Commission voted overwhelmingly for a motion by the Pakistani representative and decided not to vote for the draft resolution on the "Situation in China/Tibet" which was created by a small number of Western countries, thus foiling once more those who wanted to utilize the UN organ to interfere in China's internal affairs on the so-called human rights issue.

For some time, some people in the West who boast of being "guardians of human rights" have made a great show of earnestly writing long essays on the so-called "Chinese human rights issue," including the "Tibet human rights issue." Some countries have slandered and distorted the human rights situation in China in their officially announced "human rights" reports. At the meeting of the Human Rights Commission this time, someone borrowed some "survey data" from some non-governmental organizations which had already been reasonably refuted by China, to attack China in a vain attempt to "internationalize" the Tibet issue, to back up and cheer up a small number of the separatists who have fled abroad.

The Chinese people are the most qualified to speak on the "Chinese human rights issue." China's white paper on the human rights situation clearly pointed out that, in old China, the broad masses of people were for a long

time oppressed by imperialism, feudalism, and bureaucratic capitalism; they were completely denied their human rights. Over the past 100 years, overthrowing the oppressive "three big mountains" and fighting for human rights had always been the Chinese people's goal, who never ceased advancing and never regretted bleeding and sacrifice, carrying out a long, hard, and outstanding struggle. After the founding of the PRC, China's human rights situation changed completely. Under CPC leadership, the Chinese people not only secured the right to subsistence and solved the problem of adequate food and clothing, but also enjoyed extensive political rights, including freedom of speech, freedom of religious belief, freedom of assembly, and freedom of association, which are protected by the Constitution, and this can be seen by the whole world. As for Tibet, we all know that, before 1959, it practiced a system of feudal serfdom which was even more evil, cruel, and backward than the system found in medieval Europe. At that time, indeed, the broad masses of serfs and slaves did not have human rights. The "guardians of human rights," however, did not say a single word about this. In 1959, the Chinese Government carried out democratic reform in Tibet, abolished the feudal serf system, and enabled the slaves to become the masters of the country and enjoy extensive political rights, including freedom of religious belief, and the practice of ethnic regional autonomy. Hence, the human rights situation in Tibet has been reversed. The reason why the hostile forces in the West turn a blind eye to the iron truth, strive to confound black and white, and created the lie that "the Chinese Government is infringing upon human rights in Tibet" is simply because they want to use "human rights" as an excuse to wantonly interfere in China's internal affairs, and to encourage a small number of separatists to try to separate Tibet from China.

The "guardians of human rights" in the West have made a miscalculation. The Chinese people, including the Tibetan people, have boundless love for the country and deeply cherish the hard-won life of freedom and happiness. They will never allow society to retrogress and Tibet to be separated from China. Since ancient times, Tibet has been China's sacred territory and an inseparable part of the PRC, and the Tibetan compatriots are one of the 56 members of the big family of the Chinese nation, this being a fact recognized by various governments in the world. The Chinese Government has clearly announced: Tibet cannot become independent, semi-independent, or independent in a disguised way, and there is nothing unclear about this point. No one can shake this resolute position of the Chinese Government.

It should be pointed out that, in recent years, a small number of Western countries have often relied on their strength and influence to try to impose their own ideologies and values upon others. They always see themselves as "guardians of human rights," and instruct other countries, especially Third World countries, to do this and that, wantonly criticizing them. They accuse other

countries of "infringing upon human rights," but ignore many facts of their own violations of human rights in their own countries and in other countries. If this kind of behavior is not stopped, it will encourage power politics and hegemony. It is natural that the so-called "Situation in China/Tibet" draft resolution was opposed by a majority in the UN Human Rights Commission, and this also safeguards the reputation and prestige of international organizations and institutions, including the United Nations. Together with all the justice-upholding countries and people in the world, China is willing to be continuously dedicated to the just cause of safeguarding the purpose and principles of the United Nations, as well as the basic criteria of international law.

Official Hopes To Host World Women's Congress

OW0503050192 Beijing XINHUA in English
0202 GMT 5 Mar 92

[Text] Beijing, March 5 (XINHUA)—Wang Shuxian, spokeswoman for the All-China Women's Federation, said here today that China earnestly wants to host the 1995 Fourth World Women's Congress in Beijing.

Wang, also a secretary of the federation, told XINHUA that in January 1991, Chinese foreign minister wrote a letter to the U.N. secretary-general, inviting the congress to be held in Beijing. And this has won the support of many countries.

She noted that the three previous congresses were held respectively in Mexico City, Copenhagen and Nairobi.

According to the U.N. regulations, world women's congresses are held in regions on a rotating basis. Thus, the fourth world women's congress should be held in the Asian region.

Wang said, women in Asia, the world's most populous region, account for a major portion of the world's female population, adding that China, with its huge female population, has a long history of women's movements.

The Chinese Government has always attached great importance to raising the status of women, and desires to contribute to the development of women worldwide.

Wang Shuxian said that she will soon travel to Vienna to attend a meeting of the 36th session of the U.N. Commission on the Status of Women.

She expressed hope that the commission will issue a formal declaration announcing that the fourth world women's congress will be held in the Chinese capital.

According to Wang, the All-China Women's Federation, whose membership includes women of all nationalities in China, will actively prepare for the forthcoming congress and will contribute what is necessary to ensure its success.

Concerning contacts between Chinese women and women from other countries, Wang said that exchanges

with foreign countries have become an important component of China's non-governmental diplomacy.

The federation has done a great deal to promote ties with women throughout the world. Wang said that the federation has established ties with more than 300 women's organizations and children's institutions in more than 130 countries and regions.

In the past year alone, the federation has hosted more than 50 goodwill delegations from over 30 countries and regions.

The federation has paid special attention to strengthening friendly relations with women in neighboring countries, and to developing cooperation with women in the Third-World countries.

The federation has provided materials and technological aid to women in Third World countries according to their specific needs and capabilities.

In addition, it has also supplied weaving and embroidery technological training to women's groups in Mexico, Mozambique and Mauritius.

Wang said that over the past ten years, the federation has participated in several hundred cooperative projects with various organizations, including the U.N. Children's Fund, the Canadian International Development Administration and the U.N. Development Fund for Women. The diverse programs included training, production development, and health care for women and children, as well as early education and development programs for children.

The All-China Women's Federation has also received over 15 million U.S. dollars in funding from these organizations to aid in its development efforts.

In addition, Wang said the federation has participated in numerous meetings concerning the welfare of women and children, and has sent representatives to attend seminars and training classes.

The federation has also sponsored various activities with the women organizations from other countries, said Wang.

These contacts have deepened mutual understanding and promoted friendship and cooperation.

Wang stressed that women are an important force which will greatly benefit China's economic construction, social development and management.

At the same time, women are a major international force which will help to safeguard world peace, said Wang.

Noting the approaching 82nd International Working Women's Day, Wang expressed hope that women throughout the world will work hand in hand to make even greater contributions to the development of women and in safeguarding world peace.

Number of Electronic Technology Patents Increases

OW2502150692 Beijing XINHUA Domestic Service
in Chinese 1306 GMT 24 Feb 92

[Text] Beijing, 24 Feb (XINHUA)—According to the symposium on technology transfer and application of industrial property rights for electronic industries in the Asian region which opened in Beijing today, applications for patents in superconductive materials and parts, high definition television, superlarge integrated circuits, computers, equipment, and Chinese character coding technology, all of which have been developing rapidly in the field of electronic technology, have increased by a large margin in China in recent years. A number of patents have been popularized for application and have yielded benefits.

At the symposium, jointly sponsored by the UN World Intellectual Property Rights Organization, Japan's Special Licensing Department, and China's Patent Bureau, Gao Lulin, director of China's Patent Bureau, told symposium participants from Japan, India, Hong Kong, and other countries and regions, as well as the relevant officials of the World Intellectual Property Rights Organization that, in the field of electronics, China in the past few years has handled more than 8,000 patent applications, approved over 8,200 patents; in the field of electronic industry, comparing 1990 with 1985, the output of mobile telecommunications equipment, tape recorders, electronic parts, and integrated circuits increased from 80 percent to 90 percent respectively; the number of mini-computers, color TV sets, semiconductor parts, and vacuum tubes increased approximately one and one-half times; telephones, outer structures of computers, and color picture tubes increased more than two fold.

This symposium will discuss in detail the development of electronic industry in the Asia-Pacific region; the industrial property rights system, licensing trade, and technology transfers related to the electronic industry; as well as government assistance and development of technological resources, so as to enable the system of industrial property rights to play a greater role in developing the electronic industry.

World Organizations Donate Environmental Grants

OW0603072092 Beijing XINHUA in English
0623 GMT 6 Mar 92

[Text] Beijing, March 6 (XINHUA)—China, the World Bank and the United Nations Development Program [UNDP] entered agreements here today, approving grants totalling 3.68 million U.S. dollars for two projects focussing on environmental protection in China.

The two approvals under the Global Environment Facility (GEF) include a 2 million U.S. dollar project focussing on issues and options in greenhouse gas emission control and a 1.68 million project aimed at protecting biological diversity in China.

Among those present at the signing ceremony held at the UNDP compound in Beijing were Chinese Vice-Minister of Finance Chi Haibin, director of the State Environmental Protection Bureau Qu Geping, World Bank Chief of Mission in Beijing Attila Sonmez and UNDP Resident Representative Roy D. Morey.

These two projects are the first to be commenced in China and among the first funded in the world under the GEF, a co-operative venture among national governments, the World Bank, the United Nations Environment Programme and the UNDP.

UN Praises Environmental Protection Efforts

OW0603063992 Beijing XINHUA in English
0557 GMT 6 Mar 92

[Text] United Nations, March 5 (XINHUA)—Two senior United Nations officials here praised China today for its efforts and achievements in protecting the environment.

They were speaking to Liu Huaqiu, head of the Chinese delegation to the fourth session of the preparatory committee of the United Nations Conference on Environment and Development (UNCED).

UNCED Secretary-General Maurice Strong told Liu, who is also deputy foreign minister, that China played a very important role in world environmental protection.

He said he hoped that Chinese Premier Li Peng would lead the Chinese delegation for the Rio de Janeiro Earth Summit scheduled for this June, an action he deemed of major importance.

Tommy Koh, chairman of the UNCED preparatory committee, also met Liu and expressed his appreciation of China's constructive role in preparing for the forthcoming conference.

Liu said the Chinese Government paid great attention to economic development, as well as to environmental protection, and stood for better coordination between the two.

Liu arrived in New York on Wednesday for the meeting of the preparatory committee, which began on Monday. It will prepare the two chief documents, Agenda 21 and Earth Chapter, for the Rio de Janeiro conference, which will be attended by state heads and government leaders.

United States & Canada

'Roundup' Examines U.S. Presidential Primaries

OW0603120292 Beijing XINHUA Domestic Service
in Chinese 1550 GMT 5 Mar 92

["Roundup" by reporter Tang Yongxing (0781 3057 5281): "A Contest in U.S. Presidential Primaries"]

[Text] Washington, 4 Mar (XINHUA)—Presidential candidates from the ruling and opposition parties fiercely vied for nomination in the 1992 U.S. presidential primaries held in Georgia and other states on 3 March. Though it has undergone changes, the situation is still far from clear. Some candidates are gearing for next week's "Super Tuesday" primaries.

There was a spectacular contest in the U.S. presidential primaries. President Bush, of the Republican Party, won a total victory after defeating his fellow Republican rival Buchanan in the Georgia, Maryland, Colorado, Minnesota, and Washington primaries; however, he failed to deliver a knockout blow to Buchanan's challenge.

Returns from the primary in Georgia—which is located in the southern part of the United States—will have an important bearing on next Tuesday's primaries in 11 states. After the nation's first primary in New Hampshire, Buchanan devoted the bulk of his time and funds to running against Bush in Georgia. He attacked Bush for abandoning conservative principles and breaking his promise not to increase taxes. He even accused Bush of funding the National Endowment of the Arts that promotes "pornographic" art. Despite a counteroffensive by Bush's campaign aides, Buchanan managed to garner over 30 percent of the vote in yesterday's primaries.

Buchanan captured 37 percent of the vote in the New Hampshire primary. His performance in yesterday's primaries was yet another "protest" message to Bush from the voters. According to exit polls in Georgia and Maryland, most of the voters who supported Buchanan did not mean to elect him as president but to register their discontent and anxiety with Bush by voting against him.

Some political analysts in Washington believe that the fierce contest between Buchanan and Bush reflects the displeasure some ultra-conservatives within the Republican Party feel for Bush. Though Buchanan's bid currently does not seem to jeopardize Bush's chances of winning the Republican nomination for president, some of Bush's campaign aides have warned that the contest, if continued, may erode Bush's competitive edge against the Democrats or may even result in the loss of the presidency to the Democrats. Some Republicans have asked Buchanan to drop out of the primaries—a request that Buchanan has rejected.

President Bush said yesterday morning that his 1990 promise to increase taxes on wealthy people was a mistake. People believe that it was a concession he made within the party in an attempt to gain voter support.

In Democratic primaries held in seven states yesterday, Arkansas Governor Clinton emerged as the winner in Georgia. This, his first victory in the two weeks since the start of the primaries, is crucial to his future contests. Former Massachusetts Senator Tsongas won in Maryland and Utah. The results of yesterday's primaries may lead to a duel between Clinton and Tsongas within the Democratic Party.

Clinton has a strong campaign team and adequate campaign funds, and besides, he has the support of such Democratic heavyweights as Genan [name as received]. His alleged extramarital affair and his evasion of military conscription for the Vietnam war still have an adverse affect on the voters, however. He favors a tax cut for the middle class but objects to a capital gains tax reduction. He is expected to enter into more spirited debates with Tsongas on these issues. Prior to yesterday's primaries, he criticized as "cruel" Tsongas' objection to a tax cut for the middle class. For his part, Tsongas ridiculed Clinton for acting as a "Santa Claus" in proposing a tax cut for the middle class. Tsongas is supported by voters in business and academic circles. His health, clouded by a previous bout with cancer, may affect his presidential bid.

Other Democratic candidates include former California Governor Brown, Iowa Senator Harkin, and Nebraska Senator Kerrey. Except for Brown, who could stay in the race, both Harkin and Kerrey suffer serious shortages of campaign funds. Kerrey has canceled his campaign activities in Miami and has returned to Washington to discuss his next move with his supporters.

RENMIN RIBAO Views 'Buchanan Phenomenon'

HK0203090792 Beijing RENMIN RIBAO in Chinese
27 Feb 92 p 6

["News analysis" by Cang Lide (0221 4539 1795):
"Buchanan and 'Buchanan Phenomenon'"]

[Text] Since he announced in December of last year that he would participate in the presidential elections, like a new force suddenly coming to the fore, U.S. Republican conservative Patrick Buchanan—who challenged President George Bush running for reelection with an "America First" campaign slogan—found favor in the eyes of a considerable number of voters. In the just concluded New Hampshire primary, he unexpectedly garnered 40 percent of the vote. U.S. public opinion held: Although Bush turned out to be the primary winner by getting 58 percent of the vote, the results still constituted "a heavy blow" to him. It compelled Bush to say "we must now treat Buchanan with real seriousness."

Buchanan's name is not new to many Americans. Born in the capital, Washington, D.C., Buchanan, 53, studied at Georgetown University in his early years and got a master's degree from Columbia Graduate School of Journalism. In the mid-1960's, he served as an administrative assistant in the Nixon law office. In 1969, he went to work in the White House as a speech writer for President Nixon and later became President Reagan's external communications director. In recent years, he has been active in U.S. press circles. He serves as a columnist in some well known major newspapers and as an anchorman for a special current affairs debate program on the nationwide Cable News Network. Some of his positions, such as opposition to involvement in the Gulf crisis, criticism of the domestic welfare system, and

advocacy of going all out to cope with Europe and Japan's economic challenge, once aroused the media circles' concern and debate.

In September of last year, Buchanan explicitly pointed out in the WASHINGTON POST: "Our war—the cold war—has ended. Now it is time for the United States to return home." The article maintains: U.S. interests in the days to come should be concentrated in North and Central America and the Caribbean region. The United States should withdraw its troops from South Korea and West Europe; Germany and Japan should shoulder their own defense responsibilities; and the United States should halt all foreign assistance and stop increasing its funds allocated to the World Bank. After announcing his candidacy in the presidential elections, he flaunted the "America First" banner in a clear-cut manner. He attacked Bush for renouncing the Republican Party's conservative ideas and being divorced from the realities in the United States and accused him of being "a globalist and internationalist" and "indulging in international affairs and foreign policy in disregard of the ordinary American people struggling under economic recession." He contended: The era we are now living in is one of nationalism. The United States should put its own interests and needs in first place. This being the case, domestically, he favored restricting the government's authority and opposed tax increases, civil rights, and abortion; and internationally, he opposed sending troops abroad, called for halting all foreign assistance and erecting protectionist trade barriers, and opposed immigration from the Third World to the United States. Buchanan's partners summarized his campaign propositions into three points: opposition to globalism and advocacy for nationalism; opposition to international peace under U.S. rule and adherence to the old conservative values; and opposition to use of U.S. wealth and strength in the confused new world order and advocacy for putting the United States in the first place. U.S. political observers believe: The numerous policy propositions floated by Buchanan are, in essence, the concentrated expression of the ideological trend of "new isolationism" in the United States.

The "Buchanan phenomenon's" emergence has profound historical origins and a practical background. Since the beginning of this century, with the increasing U.S. involvement in international affairs, the ideological trend favoring "isolationism" has continuously raised its head and formed a powerful political force. After the end of World War I, especially after the outbreak of the 1929-33 economic crisis, the United States refused to join the League of Nations. It enforced the nativist Immigration Law in the 1920's and 1930's and adopted a policy favoring protectionist trade barriers. After the end of World War II, Robert Taft, the Republican senate leader who ran for the Republican party presidential nomination, firmly opposed U.S. involvement in international affairs through such international organizations as NATO. In the 1970's, after the end of the Vietnam war, under the influence of the "Vietnam War sequelae,"

slogans, like "Go Back Home to the United States" and "Not Get Involved in Regional Conflicts," were in vogue for a time. Nevertheless, overall, isolationism, which sometimes rises and sometimes falls, has never genuinely occupied a mainstream position in the United States.

Over the last one or two years, the domestic and international situations facing the United States have changed significantly. With the drastic changes in the Soviet Union and East Europe, the bipolar world characterized by confrontation between the United States and the Soviet Union has collapsed and a new pattern is taking shape. In the competition for comprehensive national strength, Europe and Japan have formed the biggest challenge to the United States. In the United States, financial, banking, educational, medical, drug, and other economic and social problems are piling up; in particular, the economic recession, which has lasted as long as 18 months, has not improved up to this day; the number of jobless keeps growing; and there is a universal drop in the voters' confidence in the government. An opinion poll conducted by the WALL STREET JOURNAL and the National Broadcasting Company at the beginning of this year shows that the United States' national security issue has dropped to second place in the eyes of most voters. Under these circumstances, when it comes to U.S. internal and external affairs, what course to follow has become the center of debate among government and opposition figures in the political, economic, press, and other fields of endeavor. The ideological trend of "new isolationism," which favors "contraction" from foreign involvement and all-out efforts to cope with domestic issues and the "Buchanan phenomenon" have thus emerged as the times require.

To be sure, Buchanan admitted that his running for the presidency is a "long shot" and the chance for winning the presidency is next to nothing, but he just wanted to send a signal of "reviving traditional conservatism" to the Republican Party. U.S. opinion makers also generally maintain: It is practically certain that Bush will win the Republican nomination for the presidential candidacy. Nevertheless, the New Hampshire primary results show that, in the final analysis, Buchanan's isolationist position represents some voters' sentiments and, therefore, the "Buchanan phenomenon" will not disappear immediately from the U.S. political arena.

FBI Seen Targeting Friendly Countries' 'Spies'

OW0503195092 Beijing XINHUA in English
1925 GMT 5 Mar 92

[Text] Washington, March 5 (XINHUA)—The FBI is now investigating whether U.S. long-time friends are attempting to steal sensitive U.S. technology and weapon secrets, FBI Assistant Director Wayne Gilbert disclosed Wednesday.

"We're looking at it very closely," said Gilbert, the Federal Bureau of Investigation's Intelligence Division chief.

He said former Soviet-bloc countries, including East German intelligence service, have dropped their espionage operations against the United States. The shift has allowed the FBI to refocus some of its efforts, he said.

"Now we have the opportunity to look at any country who has an active intelligence service and most countries in the world do," FBI said.

Gilbert did not identify U.S. allies under suspicion, but U.S. intelligence officials have warned that spies for Japan and Western Europe, particularly France, have eavesdropped on phone conversations and bugged hotel rooms of U.S. businessmen, USA TODAY reported.

The newspaper said part of the U.S. concern is that even U.S. allies looked with envy at the high-tech display of U.S. firepower during last year's Gulf war and are "sitting there saying 'wow look at those weapons...we need to have some of those.'"

In congressional testimony Wednesday, former CIA Deputy Director Bobby Inman said the challenge ahead for U.S. counterintelligence will likely not be to block "subversion" by a hostile military power.

Instead, says Inman, someone with classified information could simply shop around for a buyer, including among America's "erstwhile friends."

Similarly, in his Senate confirmation hearings last year, CIA Director Robert Gates said the U.S. intelligence community should aggressively protect U.S. companies from espionage.

Congress Clamps Down on Members' Bank Abuses

OW0603024292 Beijing XINHUA in English
0226 GMT 6 Mar 92

[Text] Washington, March 5 (XINHUA)—The Ethics Committee of the House of Representatives proposed today to disclose the names of 24 congressmen who have repeatedly written overdrafts on accounts at the Congress members' bank.

Under the proposal, only 19 incumbent and five former congressmen who have been repeated and routine abusers would be named.

House sources said about 300 members may have written at least one overdraft at the bank, which was closed late last year because of the check scandal.

The committee would privately notify the worst abusers that they faced public disclosure so that they could plead their cases before their names were made public.

It has been the bank's long-standing practice to allow Congress members to write overdrafts up to the amount of their next paycheck, which would be automatically deposited in the bank.

The overdrafts amounted to interest-free loans.

But some members wrote at least one bad check a month for eight months over a little longer than three years, and each of those checks exceeded the net amount of their next paychecks.

Such overdrafting meant that their paychecks would not have covered the deficiency.

From July 1989 to June 1990, 8,331 house bank checks were returned because of insufficient funds.

Counsel Orders Probe of Alleged SDI Abuses

OW0203195492 Beijing XINHUA in English
1707 GMT 2 Mar 92

[Text] Washington, March 2 (XINHUA)—Defense Secretary Richard B. Cheney has been ordered to investigate a Pentagon scientist's charges that officials of the Strategic Defense Initiative (SDI) Organization engaged in "gross mismanagement, gross waste of funds" and "abuse of authority", THE WASHINGTON POST reported today.

The directive was issued by the Office of Special Counsel, which found that a "substantial likelihood" that charges concerning the space-based anti-missile program were well-founded, the POST said.

According to the newspaper, Aldric Saucier, a senior scientist with the Strategic Defense Command, the army's component of the SDI program, wrote to the Office of Special Counsel last November and he charged the SDI officials for:

- false or misleading statements to Congress about the potential effectiveness and necessary development time and costs for Brilliant Pebbles, a proposed constellation of space-based interceptors that would circle Earth waiting to swoop in on and destroy enemy missiles;
- off-the-books expenditures and diversions of appropriated funds, including false statements to Congress to conceal these expenditures;
- excessive reliance on defense contractors to prepare duplicative research and studies that were not used;
- wasteful research and development spending on SDI lasers instead of subjecting them to timely tests against actual ballistic missile targets.

Saucier, a civilian scientist with more than 25 years of government service, was later fired by the Army for what his military superiors termed "unacceptable performance", but his dismissal was temporarily set aside last week after protests to Cheney by some members of the Congress.

The Office of Special Counsel, which was established by the Congress to watch over misconduct by the administrative branch, also conferred official "whistle-blower" status on Saucier, THE WASHINGTON POST said.

Central Eurasia

Nation Signs Economic, Trade Pact With Russia

OW0503133392 Beijing XINHUA in English
1323 GMT 5 Mar 92

[Text] Beijing, March 5 (XINHUA)—An agreement on economic and trade relations between the governments of China and the Russian Federation was signed here today.

Chinese Minister of Foreign Economic Relations and Trade Li Lanqing and Russian Minister of Foreign Economic Relations Petr Aven signed the agreement on behalf of their respective governments at a ceremony here this afternoon.

Aven, invited by the Chinese Ministry of Foreign Economic Relations and Trade, is leading an economic and trade delegation of the Russian Federation on a visit to China starting today.

Prior to the signing ceremony, Li held talks with Aven and his party on further developing the economic and trade ties between the two countries; the two sides, in Li's words, achieved a wide scope of unanimity.

Li said that fresh progress has been made in the economic and trade ties between the two countries since a Chinese Government delegation visited Russia at the end of last year. Of this, "the most active and practical form" is the exchange of commodities between enterprises of the two sides, he said, adding that "much progress has been made in this respect".

According to Li, China is willing to establish cooperative enterprises in Russia. In addition, China will continue to adopt flexible forms in developing trade with Russia.

Aven said that the Russian Government attaches importance to developing economic and trade ties with China and regards China as "one of its most important trade partners".

'News Analysis' of Nagorno-Karabakh Dispute

OW0603052992 Beijing XINHUA Domestic Service
in Chinese 1319 GMT 5 Mar 92

["New Analysis" by reporter Ju Mengjun (0215 1322 6511): "The Flames of War in Nagorno-Karabakh are Hard to Quench"]

[Text] Moscow, 4 March (XINHUA)—The flames of war in the Nagorno-Karabakh region inside Azerbaijan have already been burning for four years. The current situation shows that the protracted ethnic strife will be difficult to resolve within a short period, notwithstanding that it has brought about untold damage and wounds to Azerbaijan and Armenia.

On 20 February 1992, under the mediation of the Russian Foreign Ministry, Azerbaijani and Armenian

foreign ministers met in Moscow and issued a joint communique calling for an immediate cease-fire in the Nagorno-Karabakh region. At the end of February, Iranian Foreign Minister Velayati came forward to act as a mediator. To ensure his personal safety while carrying out the peaceful mission in the Karabakh region, the warring parties reached an accord for a 72-hour cease-fire, starting at 0900 on the morning of 27 February; however, on that morning, Azerbaijani forces launched a massive offensive against the opposite side, and thus the mediation initiated by Velayati was doomed to failure.

This massive attack by Azerbaijan, oblivious to the cease-fire accord, was triggered off by a dispute over Khodzhal, which is a small town inhabited by Azerbaijanis. Armenia claimed that this place has become a stronghold of the Azerbaijani militants on the territory of Karabakh and is practically no longer inhabited by peaceful residents. On the morning of 26 February, Armenian troops staged an attack and captured Khodzhal from Azerbaijani troops. Some commanding officers of Azerbaijani forces therefore held that with the seizure of Khodzhal by the Armenian side, the cease-fire decision would be erroneous. In retaliation, the Azerbaijani side launched an attack on Erzurum, which is inhabited by Armenians. In this battle, the Azerbaijani side used large quantities of armored vehicles, accompanied by MI-8 and MI-24 military helicopters. These two battles caused many casualties.

Currently, the leaders of the Commonwealth of Independent States (CIS), vexed with their domestic affairs, are neither free nor able to solve others' problems. The CIS itself is still but a "paper union" and has hardly formed the mechanisms to resolve ethnic conflicts. Although the Commander in Chief of the CIS Armed Forces Shaposhnikov and Russian leaders have conceived the idea of forming a CIS peacekeeping force, it is still far from being put on the agenda under the present circumstances. Besides, it has been announced that the last regiment of the CIS stationed in the Karabakh region—the 366th Motorized Infantry Regiment—began to pull out on 2 March.

The 366th Motorized Infantry Regiment had repeatedly been attacked by the Azerbaijani forces. The Azerbaijani side held that this infantry regiment helped the Armenian troops in the assault on Azerbaijani residential areas. Shaposhnikov, commander in chief of the CIS Armed Forces, and a military commander of the Transcaucasia Military Region again denied that the 366th Infantry Regiment participated in the operations against Azerbaijan. They claimed that the CIS troops have all along maintained a neutral stand on the Karabakh conflicts. As the 366th Regiment has continually come under attack, it would be difficult to carry out its task of stabilizing the situation. On 28 February, Shaposhnikov issued an order to withdraw the 366th Motorized Infantry Regiment from the Karabakh region and also decided to dismantle all the sentry posts set up by the CIS troops in the Armenian-Azerbaijani administrative border. The withdrawal of the 366th Regiment started

on 2 March and would be completed at a later hour on 3 March; however, the troops will not withdraw from the Transcaucasia Military Region, as the border between Transcaucasian and foreign states will still be guarded by the CIS troops.

Azerbaijan and Armenia have totally different attitudes toward the withdrawal of CIS troops from Karabakh. The Azerbaijani side is trying hard to force the CIS troops out of this region, with the intention of having its own troops control the situation there; whereas the Armenian side hopes that the CIS troops will remain in the Karabakh region to protect the interests of Armenians against infringement by the Azerbaijani forces.

The withdrawal of CIS troops from Karabakh signifies the difficulty in mediating the conflicts in this region. It is reckoned that the withdrawal of the CIS troops will reinforce the determination of the Azerbaijani troops to control the Karabakh region, while the Armenian forces will not lightly abandon their position there.

It must be pointed out while there is no prospect of a political settlement over the conflicts in the Karabakh region, the desperate attempt by Azerbaijan and Armenia to build up their own military forces is likely to lead to a gradual escalation of the conflicts.

Northeast Asia

Spokesman Announces Jiang Zemin To Visit Japan

Trip To Enhance 'Friendly Relations'

OW0603063792 Beijing XINHUA in English
0613 GMT 6 Mar 92

[Text] Beijing, March 6 (XINHUA)—Chinese Communist Party General Secretary Jiang Zemin will pay a goodwill visit to Japan from April 6 to 10, at the invitation of the Japanese Government, a Foreign Ministry spokesman announced here today.

During the visit, Jiang will meet with the Japanese emperor and hold official talks with Prime Minister Kiichi Miyazawa. He will also meet with people of a wide range of circles, either in or out of government, in Japan, according to the spokesman.

As this year marks the 20th anniversary of the normalization of the relations between China and Japan, Jiang's visit will serve to enhance the further development of the good-neighborly and friendly relations and cooperation between the two countries, the spokesman said.

Further on Jiang Visit

OW0603064392 Beijing XINHUA in English
0620 GMT 6 Mar 92

[Text] Tokyo, March 6 (XINHUA)—Chinese Communist Party General Secretary Jiang Zemin will pay an official visit to Japan April 6-10, the Japanese Government announced today.

During his stay, Jiang will hold talks with Japanese Prime Minister Kiichi Miyazawa and will meet with Emperor Akihito.

The Chinese leader will also meet with leaders of the Keidanren [Federation of Economic Organizations] and hold a press conference while in Tokyo. He is also scheduled to visit other cities in Japan before returning home.

Japanese Foreign Ministry officials said Jiang's visit is considered one of the key events scheduled for this year to mark the 20th anniversary of the restoration of diplomatic relations between Tokyo and Beijing.

The possibility of another key event, a visit to Beijing by Japanese Emperor Akihito this fall, will be made clear during Jiang's visit, top ministry sources were quoted as saying.

Jiang, who became Chinese Communist Party general secretary in June 1989, visited Japan in May 1985 when he was head of the Government Office of Electronics Industry.

DPRK Envoy Reiterates Nuclear Stance

SK0503152792 Beijing Radio Beijing
in Korean 1100 GMT 4 Mar 92

[Text] Chu Chang-chun, the DPRK ambassador extraordinary and plenipotentiary to China, held a news conference in Beijing on 4 March and made clear again the Korean Government's position on the nuclear inspection issue. He said: As has already been reported, at a late February meeting of the International Atomic Energy Agency Board of Governors, the Korean delegation mentioned the Korean Government's initiatives, measures, and sincere efforts to sincerely fulfill the obligations of the nuclear safeguards accord and clarified Korea's principled position on the procedures for ratification of the safeguards accord. He added: Even at this moment, when the issue of our safeguards accord is to be referred soon to the Supreme People's Assembly for deliberation, some countries, including the United States and Japan, are clamoring about suspicions over Korea's nuclear development, despite the fact that they clearly know that the ratification of the accord will not take long in light of its procedural process. Thus, they have assumed a very provocative and interfering attitude.

Finally, he said that the Korean Government will sincerely fulfill its obligations as required by the Nuclear Nonproliferation Treaty in the future.

Southeast Asia & Pacific

Vietnamese Delegation Leaves for Beijing

OW0603081192 Beijing XINHUA in English
0800 GMT 06 Mar 92

[Text] Hanoi, March 6 (XINHUA)—A delegation of the Communist Party of Vietnam left here Friday morning for a visit to China by way of Friendship Pass.

The delegation, headed by Le Phuoc Tho, a member of both the Politburo and Secretariat of the Party Central Committee, has been invited by the Central Committee of the Communist Party of China.

Song Says Malaysia, Singapore Visits 'Fruitful'

*OW0603060392 Beijing XINHUA in English
0430 GMT 6 Mar 92*

[Text] Singapore, March 6 (XINHUA)—The recent visits to Malaysia and Singapore by a Chinese science and technology delegation are very successful and fruitful, Song Jian, chairman of the Chinese State Science and Technology Commission, has said.

These visits have opened a new field of bilateral cooperation in science and technology between China and the two southeast countries, Song said before his departure for home this morning.

Particularly, the signing of the agreement on cooperation in science and technology between the Governments of China and Singapore would pave a way for commercialization, industrialization and internationalization of the results in science and technology, achieved by China, he said.

Song Jian, who is also a state councillor of China, said that China and Singapore agreed to exchange visits of senior officials for discussing the details of the cooperation as soon as possible.

A vice-chairman of the National Science and Technology Commission of China would visit to Singapore next month, he said.

"In the 1990s, China will pursue more aggressively the policy of reforms in science and technology and opening up to the outside world," Song said.

The Chinese science and technology delegation led by Song Jian ended its 10-day visit to Malaysia and Singapore and left Changi Airport early this morning.

Lim Boon Heng, senior minister of state for trade and industry and Chou Siow Kiang, executive director of the National Science and Technology Board of Singapore saw him off at the airport.

Scientific Show Opens in Kuala Lumpur

*OW0503154792 Beijing XINHUA in English
1431 GMT 5 Mar 92*

[Text] Kuala Lumpur, March 5 (XINHUA)—Malaysia and China, as developing countries, should work together to upgrade their scientific and technological level, said Malaysian Deputy Minister of Science, Technology and Environment Peter Chin Fah Kui here today.

He made the remarks at the opening ceremony of the Chinese scientific and technological products exhibition.

This event, he said, taking place in the wake of the visits to Malaysia by Chinese President Yang Shangkun and Song Jian, state councillor and chairman of the State Commission of Science and Technology, marks the beginning of Malaysian-Chinese cooperation in the scientific and technological field.

The exhibition, which will run until March 10, has put on display over 500 kinds of products and technology items in 17 categories that include crystal material, computer device, machinery equipment, electronic instruments and medical apparatus.

Railway Line To Reopen Between Guangxi, SRV

*OW0503135092 Beijing XINHUA in English
1221 GMT 05 Mar 92*

[Text] Nanning, March 5 (XINHUA)—China has completed repairs to the part of the Sino-Vietnamese railway line on its territory, according to the Ministry of Railways.

The ministry said that the railway line, running from Pingxiang in the Guangxi Zhuang Autonomous Region to Tongdeng in Vietnam, will be reopened as soon as the Vietnamese side finishes its part of the reconstruction work.

Following the normalization of relations between China and Vietnam last year, the two countries decided to reconstruct the international rail link, which was cut in 1978, according to the ministry.

Near East & South Asia

Li Ruihuan Meets Visiting Arab Artists

*OW0603083292 Beijing XINHUA in English
0810 GMT 6 Mar 92*

[Text] Beijing, March 6 (XINHUA)—Chinese Communist Party (CPC) Leader Li Ruihuan had an hour-long discussion with a group of visiting Arab artists on cultural exchanges and domestic and international issues.

Li, a Standing Committee member of the Political Bureau of the CPC Central Committee, said that world culture, including that of Egypt and China, is precious wealth created by the entire humanity.

It is of great importance for the China Federation of Literature and Art Circles and the Federation of Arab Artists to have long-term and multi-form exchanges and cooperation, Li said. The Chinese and their Arab friends share each others' views on many issues including international issues.

He told the visitors that China now enjoys stability, despite the turbulent international situation.

Socialism is full of vitality in China because China integrates Marxism with the actual conditions in the country and adheres to the road of building socialism with Chinese characteristics, Li said.

Li also answered the visitors' questions on the Gulf situation and other international issues.

The visitors, headed by Mohamed Sa'ad-al-Din Wahba, president of the Federation of Arab Artists, arrived here on Wednesday at the invitation of the China Federation of Literary and Art Circles. Yesterday the two sides signed an agreement on literature and art exchanges and cooperation.

'Consolidated Report' on Arab-Israeli Talks

OW0603120092 Beijing XINHUA Domestic Service
in Chinese 1203 GMT 5 Mar 92

["Consolidated report" by reporter He Dalong (0149 1129 7127): "Numerous Proposals, Little Progress"]

[Text] Washington, 4 March (XINHUA)—The fourth round of Arab-Israeli bilateral talks ended in Washington on 4 March. This round of talks can be summarized with the follow words: Numerous proposals, little progress. The Arabs and Israelis even failed to agree on the time and venue for the next round of talks.

After the talks began on 24 February, the Israeli delegation presented its program for the implementation of "self-rule" by the Palestinians in the occupied territories, demanding that talks on this program be held between Israel and the Palestinian delegation. The program proposes that Palestinians take over the rights in 12 aspects—including agriculture, budget and taxation, industry and commerce, tourism, and local police and courts—in the West Bank and Gaza Strip, but that the administration of land, water resources, and security matters will still be in the hands of the Israelis. The program makes no mention of the question of Palestinian elections and the suspension by Israel of building Jewish settlements in the occupied territories. The Palestinian delegation rejected this program, criticizing Israel for regarding the Palestinians "in these territories as residents having no rights at all."

To counter Israel's program, on 3 March the Palestinian delegates, on the basis of the "self-rule" plan drafted in January, again proposed a 16-page detailed program. According to this program, Palestinians in the West Bank, Gaza Strip, and East Jerusalem would hold free elections under international supervision before 29 September of this year to elect a legislative organ composed of 190 Palestinians, which would then appoint an administrative council composed of 20 people to take over the rights currently under the administration of the Israeli military government in those territories. "A strong police unit" would be set up to take over responsibility for the security of these territories. The program also demands that Israel withdraw its troops from the above-mentioned territories and stop its immigration activities.

However, on 4 March the Israeli delegate officially rejected this "self-rule" program, declaring that the program cannot serve as the basis for talks because it is

aimed at establishing a Palestinian state which will "endanger" Israeli security. However, the Palestinian delegation pledged to implement the program from now on. According to delegation members, they will begin preparations for the election by deciding on electors, electoral districts, election functionaries, and judicial work.

During the talks between Israel and Lebanon, head of the Lebanese delegation Ambassador Suhayl Shammas proposed that should Israel be willing to implement UN Security Council Resolution 425, guarantee withdrawal of Israeli troops from southern Lebanon, and agree to discuss the timetable for troop withdrawal, the Lebanese Government would "adopt a very serious approach toward" Israel's misgivings about its security. However, the Israeli delegate insisted that discussions of Israeli troop withdrawals should be linked with the stationing of Syrian troops and Iranian support for the Hizballah in Lebanon, thus leading to a stalemate.

During the Israeli-Syrian talks, Israeli chief delegate Yosi Ben-Aharon proposed that Syria first recognize "the border before 1967 as invalid" before talks on a new border can be held, and that Israel would guarantee troop withdrawals from the Golan Heights after a new border is decided. However, Syria insisted that Israel must comprehensively implement UN Security Council Resolution 242—that is, withdraw from the Golan Heights before discussing other issues. On 4 March the Syrian delegate presented an official statement to the Israeli delegation on how Resolution 242 should be understood comprehensively. The Israeli delegate promised to reply when the talks reopen.

Israel has scheduled a general election on 23 June. It is still undecided whether another round of talks will be held before the election. Observers here believe that even if a new round of talks is held, it will still be difficult to advance the course of peace in the Middle East.

Sino-Nepalese Economic Talks Open in Nepal

OW0503154592 Beijing XINHUA in English
1517 GMT 5 Mar 92

[Text] Kathmandu, March 5 (XINHUA)—The China-Nepal Inter-Governmental Economic and Trade Committee started its sixth session here today to discuss further expansion of their economic cooperation and bilateral trade.

Nepalese Finance State Minister Mahesh Acharya said at the opening ceremony, "China has become an active partner in our economic development endeavor. It is demonstrated in a number of projects ranging from road construction to power generation and establishment of industries."

He hoped that this meeting will consider the ways and means to narrow down the trade imbalance that has been widening between the two countries.

In reply, Chinese Vice-Minister of Foreign Economic Relations and Trade Wang Wendong said, "China and Nepal are both of Third World developing countries and maintain deep and traditional friendship. There are certain scope to further expand their trade and economic relations."

He also hoped that the Nepalese export commodities due to be held in Lhasa, China's Tibetan Autonomous Region, will help increase Nepalese exports to China.

The 13-member Chinese Government economic and trade delegation arrived here today. The current session will last till March 8.

The Nepal-China Economic and Trade Committee was established in 1983 with an aim to promote trade and expand economic cooperation between the two countries.

Education Delegation Ends Visit to Sri Lanka

OW0503124892 Beijing XINHUA in English
1215 GMT 5 Mar 92

[Text] Colombo, March 5 (XINHUA)—A Chinese education delegation led by State Councillor and Minister in Charge of the State Education Commission Li Tieying left here today for home after a three-day official visit.

Sri Lankan Minister of Justice and Higher Education A.C.S Hameed and Chinese Ambassador to Sri Lanka Zhang Lian bid farewell to the Chinese delegation at Colombo International Airport.

During the visit, Li Tieying and the delegation he led called on Sri Lankan President Ranasinghe Premadasa and Prime Minister D.B. Wijetunge and held discussions with Minister Hameed on educational cooperation between the two countries.

The Chinese delegation also visited the Kelaniya University in Colombo, where Li presented some books and teaching equipments to the university on behalf of the Chinese Government.

Sri Lanka is the last leg of Li's three-country journey which also brought him to Laos and India.

West Europe

Tianjin Signs Joint Venture With Italy

SK0603065192 Tianjin People's Radio in Mandarin
2300 GMT 28 Feb 92

[Excerpt] A ceremony was held on 28 February for the Haihe Refrigerator Compressor Company of Tianjin Municipality and Italy's (Zhanuxi) Electric Machinery Company to sign contracts for a joint venture project and other cooperation projects. The joint venture project is the largest technology intensive joint venture project to be built in the old city proper so far, and is also the first large Chinese-foreign joint venture in the refrigerator compressor field in the country. Zhang Lichang, executive vice

mayor of Tianjin, attended the ceremony and talked with (Leidusuo), president of the (Yilaitesi) Component and Compressor Group, before the ceremony.

Zhang Lichang said during the meeting: The project was planned successfully and has great future development prospects. The municipal government will do its best to provide good external conditions for the development of the enterprise and strive for wider-range cooperation.

Italy is a large producer of refrigerators in the world, and the (Zhanuxi) Electric Machinery Company is a world-famous and major producer of household electric appliances leading the world in the production of refrigerators and refrigerator compressors. The Haihe Refrigerator Compressor Company is so far one of the largest refrigerator compressor producing plants of the country and is also a large key enterprise of the Ministry of Machine-Building and Electronics Industry and the Tianjin Municipality. Both sides expressed their desire for joint investment in October 1989. Executive Vice Mayor Zhang Lichang also led a group to Italy for discussions. After more than two years of efforts, an agreement has been reached. When completed, the new (Zhanuxi) Electric Machinery and Tianjin Compressor Limited Corporation will adopt the most advanced technology of the (Zhanuxi) Company. It plans to produce 150 refrigerator compressors a year.

Contracts for relevant cooperation projects were also signed at the ceremony. It was decided that the Tianjin Haihe Limited Corporation would be established to renovate the original Haihe-brand refrigerators with Italy's advanced technology and to provide service to the joint venture in all fields. [passage omitted]

'Roundup' Views EC Agricultural Reform Slowdown

OW0503154392 Beijing XINHUA in English
1517 GMT 5 Mar 92

[Roundup: "EC Agricultural Reform Begged Down"]

[Text] Brussels, March 5 (XINHUA)—European Community agriculture ministers ended a session on agricultural reform Tuesday night with little progress after a day of tough debate.

Reform plans submitted by the European Commission, which focused on a big cut in cereal prices, were attacked by most of the 12 EC member countries.

Germany called the price cutting proposals "unacceptable in the extreme."

Britain, Holland, Denmark, Italy and Belgium said the proposal was wrongly constituted and unworthy even of their attention.

But the stiffest opposition came from France, which said such a move would make EC agricultural products uncompetitive.

They might even be driven out of world markets by American goods, France said.

Although Portugal, which holds the rotating presidency of the EC, supported the commission's working paper, it could not influence the overall situation.

The session, which closed one day earlier than scheduled, finally asked for a revised plan to be submitted to the Council of Agriculture Ministers March 30 meeting.

Agricultural reform was initiated by the European Commission in January 1991 to solve the increasingly serious problem of agricultural over-production.

The plan, due to be completed within a year, was aimed at balancing development of all sectors of agriculture and lessening the community's heavy budget burden.

Stimulated by high subsidies, agricultural over-production, especially of cereal, has become ever more serious with grain reserves hitting record highs this year.

Huge agriculture allowances and the cost of storing agricultural produce have burdened the EC.

During recent years, steps, such as extending the area out of production and cutting down milk quotas, have been taken to control production—but to little effect.

Reform of the common agricultural policy was therefore put on the EC agenda with some even proposing a complete overhaul.

But several EC countries, especially those strong in agriculture such as Britain, France and Denmark, have strongly opposed the reform.

They said such a move would undermine EC competitiveness on world markets.

On Monday, the European Commission submitted the working paper to the session proposing a cut in the price of grain and lower agricultural subsidies.

The plan held that starting from 1993, the EC would cut down cereal prices by 30 percent within three years, beef prices by 15 percent and milk by 30 percent.

Farmers' economic losses brought about by the price cuts would then be made up by a system providing adequate compensation.

It is estimated that the EC could save three billion ECU [European currency units] (about 3.6 billion U.S. dollars) within three years simply by cutting agricultural export allowances.

The fierce opposition voiced at the session was unexpected.

But the European Commission would not give up agricultural reform, said Ray MacSharry, an agriculture committee member.

"Any EC resolution can only be reached after heated debate," he said.

It is too early to predict whether an agreement can be reached at the Council of Agriculture Ministers meeting at the end of this month.

Whatever happens, real implementation of the agreement is still a long way off.

East Europe

Hungary Suspends Visa Exemption Agreement

OW0403032492 Beijing XINHUA in English
0256 GMT 4 Mar 92

[Text] Budapest, March 3 (XINHUA)—Hungarian Foreign Ministry spokesman Herman Jinos said here today that Hungary will suspend "The Hungarian-Chinese Mutual Exemption of Visas Agreement" signed in December 1988.

He told a regular press conference that starting from March 17, Chinese citizens who hold individual passports and travel and return certificates will only be able to enter the territory of Hungary with valid visas.

According to another report, a total of 11 thousand foreigners were banned from entering Hungary at the end of last week because they lacked the necessary papers or funds.

Serbia Head Discusses Situation With Envoy

OW0303183792 Beijing XINHUA Domestic Service
in Chinese 0601 GMT 3 Mar 92

[Text] Belgrade, 2 March (XINHUA)—Slobodan Milosevic, president of the Republic of Serbia of Yugoslavia, met today with Zhang Dake, Chinese ambassador to Yugoslavia.

The two sides exchanged views on the situation of Yugoslavia and relations between Serbia and China.

Nation Signs Social Science Pact With Poland

OW0603071392 Beijing XINHUA in English
0636 GMT 6 Mar 92

[Text] Warsaw, March 5 (XINHUA)—China and Poland signed today an agreement on bilateral cooperation in social science research.

The agreement was signed by a visiting delegation of the Chinese Academy of Social Sciences and the Polish Academy of Science.

According to the agreement, the two sides will exchange visiting scholars for economic, political, law and other scientific researches in the 1992-1995 period.

Political & Social**Deng Reportedly To Purge Song Ping, Others**

*HK0503020992 Hong Kong SOUTH CHINA
MORNING POST in English 5 Mar 92 pp 1, 16*

[By Willy Wo-lap Lam]

[Text] China's patriarch Mr Deng Xiaoping is set to purge leading leftists for allegedly sabotaging his reform programme.

And a host of officials who have tried to restore Maoism in the 2-1/2 years after the Tiananmen Square crackdown will be subjected to "internal party discipline".

Since last month, cadres and intellectuals in Beijing have been circulating reports about the impending fall of politburo member Mr Song Ping, propaganda chief Mr Wang Renzhi, Acting Culture Minister Mr He Jingzhi, and PEOPLE'S DAILY [RENMIN RIBAO] director Mr Gao Di.

Other leftist cadres about to be sidelined include the vice-chairman of the State Education Commission Mr He Dongchang, and retired propaganda chief Mr Deng Liqun.

Mr Deng Xiaoping's purge is seen as the climax of an offensive waged since his tour to Guangdong in January to beat back the conservative challenge and to introduce a "second wave of market reform".

Chinese sources in Beijing said the house-cleaning was comparable with the purge of the ultra-radical followers of Jiang Qing soon after the coup that toppled the Gang of Four in 1976.

The sources said that for the sake of maintaining political stability, the targeted leftists would merely be sacked or disciplined, not subjected to criminal proceedings like the original Gang of Four.

"When the purge will start and how extensive it will be depends on the opposition Deng faces," a source said.

"However, the house-cleaning should take place round the time of the 14th party congress, which will choose a new corps of leadership."

Member of the politburo Standing Committee in charge of organization, Mr Song is one of the most powerful men in China.

An ally of conservative patriarch Mr Chen Yun, Mr Song has since last summer aped the Chen line that in the promotion of cadres, "Marxist morality comes before ability".

Speaking to officials in Shenzhen last January, however, Mr Deng said only cadres with a proven track record in reform should be elevated, and "those opposed to reform should step down".

Mr Song is normally in charge of personnel matters in the run-up to the 14th party congress, including the selection of candidates for the new Central Committee.

However, in private meetings, Mr Deng has rebuked Mr Song for spurning "bold reformists". And analysts said party chief and Deng protege Mr Jiang Zemin now has more say in personnel matters.

The three other members of the new Gang of Four are in charge of ideology, propaganda and culture.

Since the winter, Mr Deng has singled out Mr Wang and Mr Gao for particular censure.

The patriarch was especially irritated by repeated attempts by Mr Wang and Mr Gao to insert in DAILY commentaries caveats on how the party must ascertain whether a reform policy is "surnamed socialist or capitalist".

Mr He Jingzhi, a protege of conservative Vice-President Mr Wang Zhen, has offended the patriarch by launching vendettas against popular writers and artists, including former culture minister Wang Meng.

Meanwhile, in its latest issue, a Chinese-affiliated Hong Kong magazine, THE MIRROR [CHING PAO], has revealed that Mr Deng would replace or curtail the influence of leftist cadres leading the following units: the Organization Department, the Propaganda Department, the Ministry of Culture, the State Education Commission, the Central Party School and the PEOPLE'S DAILY.

THE MIRROR quoted Mr Deng as saying that "three types of people" must be relieved of major positions.

Deng Introduces 'Eight Shoulds' Reform Principle

HK0503100092 Hong Kong CHING PAO [THE MIRROR] in Chinese No 176, 5 Mar 92 pp 45-46

[Article by Chen Chieh-hung (7115 3381 1738): "Deng Xiaoping Puts Forward the 'Eight Shoulds,' Says 'Three Kinds of People' Must Step Down"]

[Text] Deng Xiaoping has put forward the principle of "Eight Shoulds," namely, one should: Emancipate one's mind; more boldly blaze new trails; carry on the reform in depth; expand the opening up process; be brave in introducing foreign capital and technology; speed up the pace of reform; broaden one's field of vision; and one should work in a down-to-earth manner.

Deng also expressly pointed out that three kinds of people who comply with reform in public but oppose it in private, should step down.

Reports from Beijing say that Deng Xiaoping's remarks during his south China tour during the 1992 Spring Festival to promote reform and opening up, immediately caused a great shock both at home and abroad. After returning to Beijing, Deng Xiaoping told CPC General

Secretary Jiang Zemin: You can discuss the views I have aired. If you think they are correct, you can make them known, relay them down to the lower level, and publish them in newspapers.

Details of the "Eight Should's"

Thus, at a meeting of the CPC Central Political Bureau on 8 February, Jiang Zemin relayed, for the first time, the remarks Deng Xiaoping made during his South China tour.

Deng Xiaoping's remarks are very interesting. An informed source said: What is deeply impressive is that Deng Xiaoping has put forward the principle of the "Eight Should's," namely, one should emancipate one's mind, more boldly blaze new trails, carry on the reform in depth, expand the opening up process, be brave in introducing foreign capital and technology, speed up the pace of reform, broaden one's field of vision, and work in a down-to-earth manner. This principle gives people great inspiration.

What is still more inspiring is that Deng Xiaoping stressed the necessity of reform and opening up as the only way out for China, asserting that the country is otherwise doomed. **Whoever refuses reform will have no choice but to step down,** Deng said.

Those Who Are Indifferent to Reform Must Be Sacked

In late January and early February, Deng Xiaoping talked with some central and local party and government leading officials in Zhuhai and Shanghai on the topic of personnel selection and about what kind of people should step down, what kind of people should be weeded out of the party, and those liable for prosecution by judicial organs.

On 25 January, when meeting with Qiao Shi, CPC Central Committee Political Bureau Standing Committee member, and with leading party and government officials from Guangdong Province and Zhuhai City, Deng Xiaoping said: **Both the central authorities and localities must resolutely take action. You cannot keep waiting but must sack, as soon as possible, those who hesitate to move and who are indifferent to, or even try to boycott, reform. If these people are allowed to stay in office, they will turn out to be tremendous obstacles to the reform, and thorough implementation of the reform policies will be impossible. It will be abnormal for leading party cadres to keep their posts without implementing the party's policies.**

On the afternoon of 3 February, Deng Xiaoping told the party and government leaders and some representatives of Shanghai municipality who called on him: The party's central task is nothing but to engage in economic construction. By merely indulging in empty talk and enjoying banquets without doing practical work, we can never prove that the socialist system is superior to the capitalist system. To judge whether socialism or capitalism is better, we should see which system can promote

economic and social development and can improve living standards. We communists devoted ourselves to revolution. Once revolution has succeeded, we must engage in construction as our most fundamental task. Only if we communists can make progress in construction will we be able to prove that ours is a party wholeheartedly devoted to the people's interests.

Three Types of People Who Must Step Down

Deng Xiaoping expressly pointed out that the following three types of people should step down: First, those who comply with reform in public but boycott it (or rather oppose and undermine it, in substance) in private and act the other way; second, those who do not quite understand the party's guideline which takes economic construction as a central task and, therefore, do not conscientiously implement this principle; and third, those who are indifferent to the economic development of their own departments or areas and who do no practical work. We must not be afraid of offending these people. Some incumbent leading cadres always try to stop the tide. Such a situation is intolerable and these people must be dismissed. By the way, those who are not upright and who form small coteries and factions must also be dismissed, and, in the meantime, they should be criticized and educated and their cases handled appropriately. Judicial organs must resolutely penalize those who have abused their official power to seek privileges and who have violated laws and discipline. At the same time, cases of those who have committed serious mistakes in seeking favoritism for others, and have thus aroused strong grievances among the masses, must be handled in public. Consolidating existing leading bodies and selecting good people to form leading bodies are the keys to safeguarding smooth progress in the party's central task.

Shanghai Is Asked To Break New Ground

Deng Xiaoping praised the Shanghai Municipality CPC Committee and government for the excellent job they had done. He said: The crux is that we must closely concentrate on economic construction as the central task and work toward the goal of building an extraordinarily large socialist international metropolis with Chinese characteristics. You must give full play to the Shanghai spirit, the Shanghai standard, Shanghai efficiency, and the Shanghai style. In brief, you must break new ground.

Deng Xiaoping said humorously: I would like to join the 13 million people of Shanghai in their efforts to build this municipality, so I am going to put in an application with your old secretary (meaning Jiang Zemin). OK? I can do my share as a propagandist and consultant.

CPC Consolidates Reform Line; Plans Deepening

HK0503123092 Hong Kong CHING PAO [THE MIRROR] in Chinese No 176, 5 Mar 92 pp 26-29

[Article by Chang Mu (1728 3092): "The CPC Persists in Carrying Out Deng Xiaoping's Line; New Idea for Deepening Reform Calls for Construction First, Destruction Later"]

[Text]

Emancipate Mind; Construction First, Destruction Later

The last session of China's Seventh National People's Congress [NPC] will open in Beijing on 20 March, with the relevant agenda already revealed. Coming on the heels of visits to Zhuhai, Shenzhen, and Shanghai by the rarely seen Deng Xiaoping, leader of the second generation of the CPC, this conference will serve to highlight the big climate of reform and opening up. **Deng Xiaoping stressed: "Emancipate the mind some more, be more audacious in action and quicker in pace, expand the substance and degree of reform and opening up, and set about resolving deep-seated contradictions to promote the development of the productive forces and the overall progress of society."** Thus, faced with the new historic mission of the 1990s, the CPC's top hierarchy held that China, which has resisted political upheavals and overcome natural disasters, now enjoys favorable conditions and excellent opportunities in the form of political stability, an open economic situation, and improved relations with its neighboring states. Consequently, it should emancipate minds further and speed up the pace of reform and opening up. At the same time, it should uphold the principle of "construction first, destruction later" to ensure the normal progress of all endeavors and continue to handle satisfactorily the relations encompassing reform, development, and stability.

Extraordinary Appearance Before Lunar New Year

Each year, before and after the Lunar New Year, some retired or semiretired influential elders of the CPC often appear together with frontline leaders of the party, state, and Army in Beijing's major news media. These include Deng Xiaoping, Chen Yun, Li Xiannian, Bo Yibo, Xu Xiangqian (deceased), Deng Yingchao, as well as President Yang Shangkun and Vice President Wang Zhen. **This year, the most prominent appearances were those of Deng Xiaoping and Yang Shangkun in their tours of Guangdong and Shanghai. It can be said that these visits are so significant that they could directly affect the political and ideological lines in the 14th CPC National Congress as well as the major orientation of the leadership in the 1990s.**

If the CPC's central work conference last September, and the Eighth Plenary Session of the 13th CPC Central Committee last November, can be said to have settled the question about the proportions of industrial and agricultural development and the shift in work focus, then Deng's visit to the frontline of the reform, that is, Shenzhen, Zhuhai, and Shanghai, as well as his statements, have pushed the great situation of reform and opening up to a new height. **Deng pointed out: The line carried out since the Third Plenary Session of the 11th CPC Central Committee should be upheld for a long time. It should be stated and restated continuously for 100 years. After all, this is not a subjective prediction or irresponsible remark by some fortuneteller. Rather, it is**

the solemn choice made by the party on the basis of deep and profound considerations.

Continued Implementation of the Deng Line

Jiang Zemin, the CPC General Secretary, recently indicated that the Deng Xiaoping line will continue to be implemented after the "14th CPC National Congress." Reacting to this, a certain commentator's article in the mainland wrote: Everything is fine now. The party has a totally correct line which was personally directed by Deng Xiaoping and which has grown out of, and was tested by practice. It has a set of corresponding guidelines and policies, a third generation leadership with Jiang Zemin as the core and which is determined to carry out this line, and a billion people who share a consensus on the reform and opening up. So, there is no need to worry about the reform failing and the Four Modernizations not being realized. **No Changes Tolerated to the Basic Line**

Jiang Zemin pointed out: It is necessary to be completely faithful ideologically to the party's basic line, act resolutely in accordance with it, and be of one heart and one mind with it. There can be neither wavering nor disruption by this or that kind of wrong idea; indulging in new gimmickry as one feels like it; nor any indiscriminate changes to, or even distortions of, the "one central task, two basic features" of the basic line. Failure to uphold the Four Cardinal Principles will necessarily lead to bourgeois liberalization, and failure to carry out reform will also help nurture bourgeois liberalization. Only by introducing reform and opening up and giving full play to one's initiative and creativity will it be possible to fully display the superiorities of the socialist system, making it truly attractive and cohesive. By then, hostile forces are bound to fail in their peaceful evolution attempt. Hence, everyone who is enthusiastic about upholding the Four Cardinal Principles should also feel the same way about reform and opening up. (Note: It is reported that Jiang Zemin's statement basically followed the original words Deng Xiaoping used during his southern tour.)

It can be said that after the dramatic events in Eastern Europe and the collapse of the Soviet Union, the CPC's top hierarchy has finally reached an explicit conclusion on how to deal with the new world situation. This will, first and foremost, push the Fifth Session of the Seventh NPC into presenting bolder and more effective reform measures, and also lay down the foundation for decisions concerning various arrangements to be taken at the 14th CPC National Congress scheduled for the last quarter of this year and the NPC next spring.

Bold Reform, Exploration of New Ideas

No doubt, the Chinese mainland has formed a consensus on the need to deepen reform and invigorate the economy. However, new breakthroughs are needed to transform this into reality and it is therefore necessary to have statesmen with the audacity to undertake explorations.

In the past, the academic circle have had arguments over "Yang's contract," "Wu's market," "Li's shareholding system," and "You's market." That is: Yang Peixin [2799 1014 2450], a researcher at the State Council Development Research Center, who advocates the "system of contractual responsibilities"; Wu Jinglian [0702 2417 8834] who urges the promotion of market reform; Beijing University's Professor Li Yining [0632 0110 1337] who supports the introduction of the "shareholding system"; and You Lin [2589 2651], deputy editor of QIUSHI, who proposes stronger macroeconomic planning. There are still many more reform proposals concerning either macroeconomic or microeconomic management but, so far, there is not a complete set of systematic structure which could contribute to a benevolent cycle in production, circulation, and consumption.

Deng Xiaoping pointed out: New ideas are needed in reform. That is, new methods and different measures from those of the past decade. The key to the study of the new situation and exploration of new ideas lies in further emancipation of the mind. The emancipation of the mind is not a one shot deal.

Things Called Capitalism May Be Used

While visiting Shenzhen, Deng said: Some people claim that stocks and shares are capitalist things. We first experimented with them in Shanghai and Shenzhen and the results have proven to be successful. It appears that certain things in capitalism may also be used in the socialist system. Even when improperly applied, it is still alright. We simply close them down and reopen later. Nothing is 100 percent correct. One must dare to experiment and not be afraid to make mistakes. Unless one dares to explore and to act, then one will have no experience of which to speak. A certain amount of absorption capability is needed in reform and opening up. Some reform measures may touch on the interests of some people but if, in the long run, they are beneficial to the development of productive forces and to the masses, then it is necessary to carry out bold experiments and not shy away for fear of taking risks. Daring to act does not mean acting recklessly. Experiences should be summed up continuously and mistakes corrected. In short, without reform, China has no future.

Experimental Delegation of Power to Enterprises

According to reports, Shenzhen's newly-drawn up development plan proposes that, in response to the new situation in reform and opening up, a construction fund of 65 billion yuan be raised through various channels and invested in the 1990s to bolster the strength of China's first special economic zone.

At present, a proposal to introduce reform which would remove all controls from operations, grant enterprises the authority to operate independently as legal persons, and initiate major urban economic reform accountable only to the market and not the superiors, has already been put on

the agenda in various localities and has even been conducted on an experimental basis. This is also a hot topic for the coming NPC session.

The lack of vitality in large and medium state-run enterprises is having an increasingly great effect on the economic and political stability of society. It is maintained by many experts, scholars, and entrepreneurs that an important reason for the continuing deficits in many state-run enterprises is the failure to genuinely implement the authority in independent operation and the presence of serious flaws, such as the "three irons and one big pot" (iron rice bowl, iron-clad wages, iron armchair, and big pot of rice) prevalent in the labor, distribution, and cadre systems. The remedy to the situation lies not only in external conditions like readjusting the policy on profits and taxes, correcting the irrational comparative prices of products, and introducing fair competition. It relies more on promoting reforms within enterprises so that a vigorous and efficient operating mechanism, which truly mobilizes initiatives and inspires creativity and under which cadres may be promoted or demoted, organs merged or split, personnel hired or fired, and wages and bonuses raised or slashed takes shape. The effectiveness of this reform direction, which is of crucial interest, has already been attested by countless township and town enterprises, "foreign-funded" enterprises, and certain experimental enterprises.

The "Three Irons and One Big Pot" Should Be Smashed

Recently, Guangzhou City lifted all controls in the operation of 32 state-run industrial and commercial enterprises. These enterprises were given more extensive decisionmaking powers, such as the right to install, merge, or split up internal organizations; recruit, hire, and dismiss workers; supervise cadres; determine the wage distribution plan and system without prejudice to the growth of production and improvement of performance; decide on use of its after-profit and tax capital funds; have delegates from the enterprises participate in meetings attended by the plant managers; have enterprises reject all kinds of assignments and fee collections outside the law and regulations; and, except for commodities under state-controlled prices, the right to price and market its own products according to the principle of market regulation.

The CPC's top hierarchy believe that some enterprises have to be closed down, suspended, merged, or converted, and the "three irons and the one big pot," smashed if the operating mechanism is to be transformed and the structure readjusted. This will involve a readjustment of the existing structure of interests. Some people are bound to feel sceptical and concerned about this and that and even develop resentment. Questions like "How can a socialist enterprise go bankrupt?" "If workers are the masters of the state, how can they be dismissed and made jobless?" will be echoed. Some people whose vested interests are undermined, will be

unable to accept changes like demotions, dismissal, and supplementary charges for housing.

These conditions show that reform has now entered a tougher stage. Simultaneous with efforts to increase the substance and expand the coverage of reform, it is also necessary to act with caution, avoid making mistakes, step up ideological education, stabilize the overall situation, and prevent excessive shocks. For instance, in ameliorating the enterprise labor structure, various ways should first be found to resettle the laid-off personnel, with internal absorption as the primary means and temporary employment within the organization also a possible solution.

Reform Organs To Raise Efficiency

Overbloated bureaucracy, overstaffing, internal wranglings, and poor efficiency—all these provide a perfect breeding ground for bureaucratism, formalism, and corruption in the Chinese mainland.

Statistics show that the existing 2,180 county organs have a combined total of 1.94 million administrative personnel, 230,000 more than the quota and, because of expansion of the institutions, lack of harmony between management and service, and poor efficiency, financial expenditures have risen visibly.

Because of an inability to shoulder the financial burden, some counties have taken massive cutback measures. For instance, Shandong's Changyi County trimmed its 50 administrative offices to 35 and laid off more than 300 administrative personnel, while its commercial, grain, textile, light industry, materials, foreign trade, supply and marketing, and other organs were converted into economic entities. The Zhuozhi County CPC committee in Inner Mongolia limits itself to an office, an organization department, a propaganda department, and workers' commission; the government has an office, an economic administrative and management bureau, tax bureau, social services bureau, public security bureau, and legal supervisory bureau; the other 30 organs were all converted into economic entities. The management of cars, big or small, belonging to the different county organs was contracted to individuals. The county cut its 700 administrative personnel to 300, saving over 3 million yuan in operating expenses.

State Council Premier Li Peng believes that the economic and technical departments of county and village governments should be gradually separated from the government system. They should use various means to offer diverse social services to the countryside, gradually evolve from administrative organs into economic entities, become more self-sufficient and cost-effective, and eventually turn into enterprises which are "small governments which offer big services." This could be one direction in the reform of county level government organs.

Judging by the present situation, streamlining bureaucracy, conversion of functions, improvement of efficiency, and the introduction of a civil service system—all these remain problems which should be addressed by government organs at all levels. While underlining the need to develop science and technology, Jiang administration and management, including the use of modern facilities like computers.

Five Science, Technology Breakthroughs

Consequently, China's science and technology is faced with the task of serving production and management. Deng Xiaoping stated: China's economic structure should promote scientific and technological progress; and China's scientific and technological structure should promote economic development.

Reports say that science and technology in the 1990's will strive for breakthroughs in the following five areas:

1. Establishment of the idea that science and technology constitutes the premier productive force and incorporation of the proposal to develop science and technology into the key agenda of party committees and governments at all levels.
2. Rational allocation of resources in science and technology in the three areas of the principal battlefield, high technology, and basic research, and active and steady readjustment of the organizational structure. Work in science and technology should continue to be geared toward the economy, with the conversion rate of scientific and technological findings raised from 20 to 60 percent; on the other hand, support will be extended to basic research, with government allocations raised from 6 to over 10 percent.
3. Vigorous efforts to increase input into science and technology, with the ratio of research and development spendings in the GNP being raised from 0.7 percent in 1990 to 1.35 percent in 2000. Loans for science and technology will reach over 10 billion yuan in the latter part of the Eighth Five Year Plan.
4. Continuing efforts to deepen reform and gradual establishment and perfection of a lively and vibrant new mechanism which contributes to scientific and technological progress, economic prosperity, and social development.
5. Further boosts to the initiative of intellectuals, resolution of the problem of insufficient numbers and the irrational distribution of scientists and technicians, improving and upgrading their working and living conditions, and allowing people to fulfill their potential within the system and mechanism.

Initial Thoughts on Wage Reform

As market competition intensifies, advanced technology has become the lifeline in the growth of enterprises and upgrading of products; it has also acquired an increasingly greater role in administration. The State Science

Commission recently completed a large-scale comprehensive scientific research project on reform of China's wage system which passed appraisal by experts. By calculating and processing large amounts of scientifically-tested data, applying the theories and methods of systematic science, as well as qualitative and quantitative analyses and integrations, the research project produced results, including a study on reform of China's wage structure, minimum wages in China over the past 40 years, initial ideas on reform of the wage system, and an assessment and prediction of the incomes of urban and rural residents in China. This laid down the scientific basis for decisionmaking by the top hierarchy on reform of the wage system.

Authoritative sources from the Ministry of Labor and Ministry of Personnel revealed after the New Year that, based on scientific analyses and calculations, enterprises and institutions may soon adopt new working hours, changing from the six-day work week to a five and a half day work week. Reports claimed that a feasibility study group organized by the two ministries, examined units experimenting with the five and a half day work week nationwide and the results showed the experiments to be successful. As for the new working hours, a final decision has yet to be made.

Article Views Deng, Media Exhortations for Reform

HK0503134892 Hong Kong CHING PAO [THE MIRROR] in Chinese No 176, 5 Mar 92 pp 38-39

[By Chung Hsiao (6945 2556): "Deng Says Some People Are Vacillating Toward Reform; Insists Third Plenary Session's Line Should Be Stressed for 100 Years"]

[Text] During his south China visit to Shenzhen, Zhuhai, Guangzhou, and Shanghai from mid-January to early February, Deng Xiaoping, general architect of the CPC's reform and opening up project, made quite a few remarks which are known to only a very small number of people. This reporter has learned of some of his remarks from well-informed sources and would like to present them to our CHING PAO readers. **Deng Says Reform, Opening Up Was Not Properly Stressed at Eighth Plenary Session of 13th CPC Central Committee**

Informed sources said that during the last 10 days of December, Deng Xiaoping had a conversation with Jiang Zemin and Yang Shangkun. He said: What shall we do in January next year? We must unify our thinking. We must unify our thinking centered on economic construction. Reform and opening up must be promoted faster. This must not be stressed only by myself. You must all stress it. It was not properly stressed at the Eighth Plenary Session of the 13th CPC Central Committee (Note: The session was held in the last 10 days of November 1991) and we must now begin to stress it with might and main!

Some People Are Vacillating Toward Reform and Opening Up

On 19 January, accompanied by his daughter Deng Rong, Deng Xiaoping made an inspection tour to Shenzhen. During his inspection, Deng Xiaoping talked with the persons in charge of the Guangdong Provincial CPC Committee and party, government, and military leaders from Shenzhen and Shekou, emphasizing that the pace of reform and opening up should be quickened and people should be more courageous in reform and opening up. **Deng Xiaoping said: China's reform has come to such a stage that we have no choice but to take bigger strides forward with one heart and one mind.** Through practice during the past two years or more, we can see things more clearly. Some people have always vacillated on the question of reform and opening up, suspecting this or that. This has been a problem in Shenzhen over the past few years and it is also a problem facing the development of Shanghai's Pudong. Last year I went to Shanghai and made some remarks there but it seems that did not work. I will go there again this year and repeat what I have said. If they will not do as I have said, I will repeat it again and again. Of course, the problem is not in Shanghai. The problem is that we have been obstructed on too many occasions. I appreciate very much Comrade Zemin's idea on further emancipating the mind, speeding up reform and opening up, and promoting economic construction with one heart and one mind.

Deng Declares Third Plenary Session Line Should Be Stressed for 100 Years

On 31 January, Deng Xiaoping arrived in Shanghai. On 3 February, Deng Xiaoping and Yang Shangkun had a happy meeting with Shanghai party, government, and military leaders and veteran cadres, as well as people from various circles, to celebrate the Spring Festival. The Central Television Station showed a special program on Deng's appearance in Shanghai that day.

On 4 February, JIEFANG RIBAO, the Shanghai Municipal CPC Committee organ, carried on its front page an article by "Wen Qi" entitled: "The Line Mapped Out Since Third Plenary Session of 11th CPC Central Committee Should Be Stressed for 100 Years." It said that in the Year of the Monkey, we must further emancipate the mind and speed up the pace of reform.

As early as last March, Deng Xiaoping went to Shanghai personally and, through JIEFANG RIBAO, published a series of articles under the name of "Huangfu Ping," urging further emancipating the mind and adhering to reform and opening up. People with insight pointed out that the publication of Huangfu Ping's articles was an earthshaking incident on the mainland after the 4 June incident, greatly encouraging the reformers within the CPC. In the past year, the CPC's conservative forces have made use of Beijing's media to attack Huangfu Ping's articles and JIEFANG RIBAO. Despite all this, JIEFANG RIBAO has not changed its stand and continues to advocate emancipation of the mind and reform and opening up.

The article by Wen Qi, carried by JIEFANG RIBAO this time, also had the same characteristics of those by "Huangfu Ping." It made a bold exposition on the current situation of China's reform and opening up and quoted, passage by passage, remarks made by Deng Xiaoping during his visits to Shenzhen, Zhuhai, Guangzhou, and Shanghai: "We have only implemented the line mapped out since the Third Plenary Session of the 11th CPC Central Committee for just over 10 years and great achievements have already been made. If we continue to do the same in the next 20, 30, or 50 years, or continue to do it always, more profound and bigger changes will take place in China. Why can we make such great achievements? Because we have adhered to the line mapped out since the Third Plenary Session of the 11th CPC Central Committee. Therefore, this line must be adhered to for a long time and must be often and repeatedly stressed. It should be stressed for 100 years. This is by no means a subjective assumption or conjecture by a fortune-teller but a serious choice by our party after careful consideration."

Article by "Wen Qi," Articles by "Huangfu Ping" Are Different Tunes Displaying Equal Skill

Another point about Wen Qi's article which attracts people's attention is that it reiterates the important theoretical subject of the initial stage of socialism. As everyone knows, in his report to the 13th CPC National Congress in 1987, former CPC General Secretary Zhao Ziyang defined, for the first time, the current stage of socialist development in China as the initial stage. He also put forward the basic line for building socialism with distinctive Chinese characteristics in the initial stage of socialism, namely, "one center (economic construction) and two basic points (the four cardinal principles and reform and opening up)." Wen Qi's article particularly points out: "Without adhering to the four cardinal principles, we will inevitably lapse into bourgeois liberalization; but without reform, we may also encourage bourgeois liberalization.... All comrades who are enthusiastic in upholding the four cardinal principles must also be enthusiastic in reform and opening up." In the years after Zhao Ziyang replaced Hu Yaobang as CPC general secretary, he tried to resist the conservative forces who had placed obstacles in the way of economic construction under the pretext of opposing bourgeois liberalization and pointed out that upholding the four cardinal principles and opposing bourgeois liberalization were phrases with the same meaning. When adherence to the four cardinal principles was stressed, it was unnecessary to stress opposing bourgeois liberalization at the same time. After the 4 June incident, this viewpoint was criticized by the conservatives, who held that it had encouraged the spreading of bourgeois liberalization in various spheres. This time, Wen Qi's article in JIEFANG RIBAO particularly pointed out that "without reform, we may also encourage bourgeois liberalization." Does this mean to favor Zhao Ziyang?

Deng Xiaoping Recently Said Zhao Ziyang Did Remarkable Job

During his inspection in Shenzhen, Deng Xiaoping also talked about Zhao Ziyang. He held that everyone, rather than any single person, should be held responsible for the 4 June incident. Later, when he was in Shanghai, he talked about Zhao Ziyang again. He said: "Zhao Ziyang did a remarkable job when he was the premier and the general secretary. You are not as capable as he was."

Deng Told Cadres To Work Without Misgivings for 100 Years

In Shanghai, Deng Xiaoping told Wu Bangguo, Huang Ju, Chen Guodong, Wang Daohan, and Chen Zhili on two occasions in the reception hall of the Western Suburb Guest House: We have encountered more obstructions in the past two years. Be sure not to be seized by a whim and stir up new trouble or play new tricks. Comrade Shangkun's appraisal of Shanghai is correct. There are certainly risks in your development of Pudong. It is not bad but there are certainly risks in our reform. However, we must not fear them. Have I not said the line mapped out since the Third Plenary Session of the 11th CPC Central Committee should be stressed for 100 years? Generally speaking, we can work courageously and without misgivings for the next 100 years.

There Will Be Relevant Readjustments in Personnel [subhead]

People with insight say that once the political line is determined, cadres are a decisive factor. Since Deng Xiaoping has already said that anyone who does not carry out reform should leave office, it is believed that, in the next step, the top CPC leaders will concentrate their efforts on making the relevant changes in personnel. If the main officials who have obstructed reform refuse to make self-criticism and change their attitude, they may not be able to keep their posts. On the other hand, those who are enthusiastic in reform will be promoted to important posts so that economic construction can be further promoted.

Leftist Attacks on Deng, Zhao, Reform Criticized

HK0503051692 Hong Kong CHENG MING
[CONTENDING] in Chinese No 183, 1 Mar 92 pp 17-19

[Article by Fan Tso (5400 0146): "Ultra-Leftists Attack 'Five Major Mistakes' of Reform and Opening Up"]

[Text]

Ammunitions Manufactured to "Strike at Zhao and Hurt Deng"

Backed by their supporters, the conservatives have launched one offensive after another against the reformists before and after the Eighth Plenary Session of the CPC Central Committee. Naturally, their target is Deng Xiaoping, the "principal architect" of reform and opening up; but Deng Xiaoping continues to enjoy very

high prestige, and remains enormously powerful within the party, government, and the army. Therefore, even though they are supported by stubborn elders, the conservatives dare not come out in the open but prefer to carry on with their hidden tactics, the most "widely used" of which is to criticize Zhao Ziyang and indirectly aim at Deng Xiaoping in order to achieve their objective of "striking at Zhao to hurt Deng."

Aside from verbal pronouncements at some conferences, this war of "striking at Zhao to hurt Deng" has had no shortage of written attacks by hired henchmen.

A writing team made up of Leftist proponents in the propaganda network, including Wang Renzhi, Xu Weicheng, Yuan Mu, and Gao Di, had earlier churned out a number of critical articles which they had intended to publish in journals with great fanfare. But they were stopped and blocked by people like Jiang Zemin, Li Ruihuan, and Yang Shangkun. So the Leftist advocates had to scale down their plans for these articles, and publish them as "information" and "reference materials" within the confines of their authority.

Recently, so-called "internal reference material" was published in the Gao Di-controlled RENMIN RIBAO. Citing "liberation of thinking" and "lifting all internal barriers" as justification, the article enumerated "five major mistakes" committed in the decade of reform and opening up.

Allusion to Deng Xiaoping's "Intoxication with Reform"

One mistake was "the failure to emphasize self-reliance and protect national interests, and the harboring of unrealistic expectations derived from Western countries."

This "internal reference material" said: "In the past decade, the most striking slogans have often been related to foreign things, such as 'vigorous imports and exports, and participation in the international cycle.' In the course of opening up, we often did not correctly handle the relations between external cooperation and defense of national interests, and the relationship between importation and self-reliance. Instead, everyone competed to open up and bring in imports. State policy also gave preference to opening up, and granted huge benefits to those who won the right to engage in opening up. Discussions of defending national interests and self-reliance were immediately labelled as rigidity. Unfortunately, this is just moving from one form of rigidity to another."

The document used the viewpoint set out by noted American scholar Robert Gilpin in a book, *The Political Economy of International Relations*, to attack Zhao Ziyang's thinking which favored "vigorous imports and participation in the international cycle." It described Gilpin's viewpoint as a "stimulant to wake people from their dreams in which Westerners are angels who will rescue China (as long as China joins the 'free world')."

It is common knowledge that the guidelines, policies, and concepts presented by Zhao Ziyang in the course of reform and opening up were either in line with Deng Xiaoping's wishes, or had his blessing. Zhao was merely a faithful follower of the principal architect, Deng Xiaoping. Hence, the "stimulant" referred to in the article undoubtedly alluded to Deng Xiaoping being intoxicated by reform.

The article charged that "the kind of sentiment that places all hopes on the West" will have "far-reaching adverse effects." It also claimed that the less than ideal results in technical advances seen in the course of opening up may be attributed to the following reasons: "One is that Westerners are unwilling to share technology, and a second is that our efforts in self-reliance with regard to the absorption and development of imported technologies have been insufficient."

Conservatives are Unhappy with "Business Mania"

The second mistake cited by the "internal reference material" is a "blind worship of the West, repetition of the United States' strategic mistakes, neglect of the importance of the technological revolution, and the vigorous promotion of a 'business mania'."

The article cited an assessment of the United States by Akio Morita, president of Japan's Sony Corporation, in his book, *The Japan That Can Say No*. "The fundamental reason for the decline of the United States is its neglect of material production and its excessive zeal for making money from financial markets as it embarked on a so-called 'third wave,' which gradually transformed its economy into a symbolic economy. (Facts have shown) that reliance on the service sector alone is not enough and that it is necessary to return to the development of manufacturing real goods."

Quoting Morita, the "internal reference material" criticized reformists for "worshipping and magnifying" "these wrong American ideas in economic strategy." It added: "For a while, China's newspapers, broadcasts, and television endlessly bombarded the public with this view: 'Manufacturing represents backward and conservative thinking, while engaging in business constitutes the modern concept.' To this day, the naive idea that still prevails in our country's theoretical economic circle is that the 'industrial structure can be upgraded' simply by expanding the proportion of the tertiary industry in the national economy. More importantly, because income in tertiary industry is often higher than in material production departments, initiative in the latter have been severely affected. In addition, the best and the brightest in our country have been lured from production and science and technology fields into the circulation sectors. Up until the early 1980s, the best students in our country continued to choose physical sciences in annual national university entrance examinations. But today, courses related to foreign economic relations and trade greatest popularity. Even accomplished scientists and technicians are looking for ways to shift to business. This

situation constitutes an enormous loss of talent and resources for the entire nation. [no closing quotation marks as published]

Special Economic Zones Attacked and Reformists Blamed for Advocating "Effortless Gain"

The "internal reference material" vehemently charged that the introduction of reform and opening up has "led to the birth of a 'waiting-for-wealth' mentality among our people in the last decade. Be it the mania for going into business, awaiting the 'Western god of prosperity' to issue dollars, absurd theories of speculating with money 'to create wealth,' or the abnormal incident of tens of thousands of people quitting their jobs to look for gold in Hainan because of newspaper hype over Hainan's 'special' status—all reflect the transformation in the public's values into a seeking of gains without exerting effort, and an unwillingness to work hard to create wealth."

After the introduction of the policy of reform and opening up, people were freed from the shackles of "the supremacy of politics" and instead turned their attention to the pursuit of economic benefits in the hope of improving and upgrading their material lives. This is a very normal phenomenon. It is up to the leadership to provide correct guidance on how this idea and mentality of getting rich should develop. But all "abnormal incidents" should not be blamed on reform and opening up, just as it cannot be said that the implementation of reform and opening up is also the cause of serious graft and official corruption. These ridiculous and senseless theories cooked up by the conservatives in their attempt to criticize Zhao Ziyang are totally untenable and serve to "grossly generalize the issues."

It is obvious that the people behind the "internal reference material" dislike the special economic zones [SEZs] as models of the reform and opening up, but at the same time are intimidated by them. They thus used the "special" status of Hainan Island to launch an indirect attack on the Shenzhen, Zhuhai, and Xiamen SEZs, blaming them for "providing people with an opportunity to make effortless gains."

China's Cultural Elite Under Attack

According to the article, the third mistake of reform was its "indulgence of 'elites,' and the latter's total negation of Chinese culture and their weakening of the nation's cohesiveness."

The "internal reference material" charged: "In the early part of opening up, the total negation of Chinese culture by the 'cultural elites' weakened the Chinese nation's cohesiveness and caused far-reaching and incalculable damage to the highest interests of the Chinese nation. In a world still divided into countries and nations, the attitude they created of this nation being 'an inferior nation' that has to be dominated by a 'superior nation' in order to improve itself has had some degree of success. Furthermore, to a certain extent, this thinking has destroyed some values and rules of ethics that have been

the fruits of mankind's common experiences, and has led to 'cultural misdirection'."

"By trying to please the public with claptrap and indulging in unconventional endeavors, these 'cultural elites' used provocative language to mislead the public. It is no exaggeration at all to call the so-called 'cultural mania' they instigated, destructive thinking rarely seen in human history."

Actually, the so-called "inferior nation" and "superior nation" were crude attempts to put labels on China's cultural elite. Furthermore, charges of "spiritual pollution" and "negation of Chinese culture" were hurled at the drop of a hat. Can it be that the "millet and rifle," which Wang Zhen and company joyfully extolled, represents the mentality of a superior nation? Can it be that upholding the so-called "six standards" and "four adherences" will strengthen the Chinese nation's cohesiveness and should therefore be accepted by the Chinese nation?

Meanwhile, the two other major mistakes of reform and opening up cited in the "internal reference material" were: "A failure to make use of the existing system, an undue emphasis on theories determining the system, and the promotion of an unrealistic, romantic view of reform"; and "the rigid imitation of Western economic theories which have not yet been fully mastered, lack of an in-depth understanding of China's practical problems, and engaging in a new dogmatic theory that glorified the delegation of power." Due to a lack of space, these two shortcomings will not be further elaborated.

Gao Di and Company Forced Into Silence

In putting together this article, Gao Di and his cohorts hoped to hurt Deng, or at least prick him a bit. Who would have guessed that Deng Xiaoping would personally visit Shenzhen and Zhuhai where he sang the praises of the two SEZs and said enthusiastically: "From the transformations in Guangdong, Shenzhen, and Zhuhai, one sees the prosperity and vigor of the country. Taking the socialist path is itself intended to make the country prosperous and strong, as well as improve the lives of the people." Moreover, Deng also indicated that more cities like Hong Kong should be built in the country. He firmly asserted: Reform and opening up constitute the only way out for China, and whoever refrains from engaging in reform will fall from power.

Deng Xiaoping's statements represent yet another affirmation of reform and opening up, as well as a forceful blow to the various absurdities mouthed by Chen Yun and his ineffectual underlings concerning the SEZs.

Faced with this stunning blow from Deng Xiaoping, Gao Di and his ilk and their bankrupt writings will have to take leave for now!

Reformists Set for Promotion to Central Leadership

HK0603023092 Hong Kong THE STANDARD
in English 6 Mar 92 p A-8

[By Cary Huang and Cheung Po-ling]

[Text] More reformist regional leaders in the coastal south are expected to be promoted to the central leadership at the party's national congress this year, according to Chinese sources.

This was part of efforts by Chinese paramount leader Deng Xiaoping to reinstate more reformist elements into the central leadership to combat the conservative domination since the ousting of party chief Zhao Ziyang and his reformist colleagues after political events in 1989.

Mr Deng's recent surprising and high profile trip to the south was to pave the way for a high ranking personnel reshuffle in the 14th National Congress of the Chinese Communist Party to be held in the autumn.

The congress would see more reformist officials from the south being promoted to the party's central committee, the supreme body of China's ruling party, a Chinese source said yesterday.

The source said some would be even expected to be elevated to the State Council, the country's cabinet.

A Chinese analyst said: "It was apparent that the recent campaign launched by Mr Deng was the patriarch's last effort to push the nation back into his initiated reformist course in view of his age of 87."

During his trip, Mr Deng indicated on several occasions that more reformist cadres would be promoted. He was quoted by the source as telling Guangdong officials that only those with a sense of reform and openness, being bold in reform experiments and having achieved results in past years, could be promoted to the senior leadership.

The Chinese patriarch highly praised what the southern provinces had achieved in economic development and pioneering reform in the country in recent years. "Mr Deng's high appreciation of Guangdong means that more of its cadres would be promoted," the source said.

Sources said Mr Deng also expressed his dissatisfaction with policies. He told southern officials that the period of 1984 to 1988 was the golden period for China's economic development, which indicated the patriarch's dissatisfaction with the Chinese Premier Li Peng, who succeeded Zhao Ziyang to that post in 1988.

Mr Deng was quoted by official reports that those who opposed reform should step down, indicating that a major reshuffle was inevitable.

Meanwhile, Mr Deng in his directives to the People's Liberation Army also urged the military to pay more attention to groom and promote younger soldiers to the fourth generation of the army leadership.

Mr Deng was quoted as saying the army leadership, which would be reshuffled after the congress, should be younger.

NPC Secretary General Sets 'Tune' for Session

HK0603005292 Hong Kong CHENG MING
in Chinese No 183, 1 Mar 92 p 26

[Article by Ling Hsueh-chun (0407 7185 0689): "The CPC Sets the Tune for National People's Congress Session"]

[Text] It has been decided that the Fifth Session of the Seventh National People's Congress [NPC] is to be convoked on 20 March, and the Beijing authorities are busy preparing for its opening.

NPC Deputy Chairman Peng Chong, concurrently NPC secretary general in charge of day-to-day business, has set the tune for the NPC session: "It is imperative to adhere to the major orientation, look ahead, and proceed from stability in everything."

Guarding Against Deputies "Targeting Side Issues"

As last year, central and local leading members visited or invited, around Spring Festival time, some NPC deputies who were liable to be critical to conduct heart-to-heart talks to unfold ideological work and persuasion to prevent them from "targeting side issues," while requiring them to criticize and give suggestions on economic construction, legal work, and party building and avoid repeating past issues. Should deputies find it necessary to raise those issues, they might do so by way of exchanging views before or after the session to avoid affecting the session's normal progress.

Peng Chong Negates the Senior Cadres' Sons and Brothers Faction Issue

At the mass Spring Festival greetings held at the Great Hall of the People on 4 February, Peng Chong told some NPC deputies: The handling of the 1989 political turmoil has already been concluded, with appropriate reshuffling. What remains are matters involving judicial procedures. Please do not mention the Zhao Ziyang issue any longer, regarding which, the Central Committee will make a correct arrangement. As to the so-called senior cadres' sons and brothers faction, as overseas rumors call it, that is a political instigation; we must believe in the Central Committee.

Zhao Ziyang Will Remain Absent From the Congress

In addition, Peng Chong disclosed in a briefing, the central authorities believed that it would be best for Zhao Ziyang to ask for leave from the upcoming NPC session.

By mid-February, the NPC Secretariat had already received some 150 opinions and suggestions from deputies from various places, many of which demanded a genuine play of the power endowed to the People's

Congress by the Constitution, doing a good job of resolving problems arising from the 1989 political storm, and clarifying Zhao Ziyang's qualification as a NPC deputy.

Deputies Demand Removing From Office Some Ultra Leftist Ringleaders

Some deputies jointly signed a bill to the Fifth Session of the Seventh People's Congress demanding the removal from office of the acting cultural minister [He Jingzhi], the State Council spokesman, and RENMIN RIBAO's responsible person [Gao Di].

Some deputies questioned the CPC decision on immediately launching the Chang Jiang Three-Gorges project.

Deputies from some provinces and municipalities listed four reasons to remove Yao Yilin from the vice premier's office.

Article Says 'Religious Believers' Increasing

*HK0503145292 Hong Kong CHENG MING
in Chinese No 183, 1 Mar 92 pp 36-37*

[Article by Yang Chiao-sheng (2799 2403 5116): "Secret Religious Believers Can Be Found in Various CPC Departments"]

[Text] A person from the CPC United Front Work Department disclosed that in a recent "Report on Preparations for Fifth Chinese Christian Meeting," Hu Qiaomu wrote this remark: "If this continues, will there be more religious believers than communist believers?"

Viewed from the present status, Hu Qiaomu's worry was not without foundation.

There Are More Religious Believers Than Numbers Joining Party

The Fifth Chinese Christian Meeting held in Beijing toward the end of December last year announced that there were over 5 million Protestants on the mainland at that time. Adding the 3 million Catholics announced by the relevant statistical department, there were over 8 million Christians, an increase of 3 million over three years ago (the end of 1988), an annual average increase being 1 million.

During a talk with officials from the CPC Propaganda and Organization Departments, Hu Qiaomu revealed that, from the end of 1988, CPC members increased by 3 million, basically equivalent to the increase in the two major Western religious believers. No wonder Hu Qiaomu said in astonishment: "We should not take this situation lightly; overlooking this situation could spell an end to the party's cause."

Hu Qiaomu's "Jealous Remarks"

Hu Qiaomu also spoke sadly about the present state of the CPC organization. He sighed: "Many grass-roots

party organizations are now lax and their political activities and studies are just formalities or they do not carry out any activities at all. A striking contrast is the following: Religious services in tens of thousands of Christian and Catholic [as published] churches throughout the country, and in innumerable Islamic mosques as well as sutra chanting in Buddhist temples, are going on despite the weather." Subsequently, Hu Qiaomu said quite jealously: "The Communist Party cannot even collect all party membership fees but donations in churches and temples have never stopped. I have heard that there are about a dozen ethnic language editions of the Bible in our country now. Maybe the ethnic language editions of the works of Marx, Lenin, and Mao Zedong do not number that many. Comrades Xiaoping's and Chen Yun's books at least have not been translated into so many languages. How dangerous this is!"

How Many Secret Religious Believers Are There?

According to an analysis by some people in the CPC United Front Work and Organization Departments, because the party constitution stipulates that party members cannot have religious beliefs, apart from the 8 million Protestants and Catholics already announced, it can be said with certainty that quite a number of people among the 50.32 million CPC members have become secret religious believers. In addition, many nonparty member office cadres, university students, and even servicemen also believe in Western religions. Although the number of these secret religious believers cannot be accurately counted, there are indications that they at least amount to several million.

Some Party Branches Engage in Fundraising for Temple Construction

The person from the CPC United Front Work Department also disclosed that, apart from the abovementioned "Western religious" believers, more and more party members and masses, particularly those in the rural areas, are engaging in superstitions. Some rural party branches even carry out fund raising to build temples and monasteries. If these people are regarded as religious believers, adding the number of Lama and Islamic believers among ethnic people in Tibet, Xinjiang, Inner Mongolia, Qinghai, Gansu, and Ningxia, it is hard to estimate how many CPC members are religious believers.

There Are Over 2 Million Religious Believers in Shanghai

At an enlarged meeting of the Shanghai Municipal CPC Committee in early January, Secretary Wu Bangguo said that there were 500,000 Christian and Catholic followers in the city, adding that 30,000 to 50,000 people went to church every Sunday. In addition, there are more Buddhist believers, numbering 1.5 million. An estimated 100,000 people go to the Yufo Temple, the Jingan Temple, and the Longhua Temple on the 1st and 15th days of the lunar month to burn joss sticks, excluding those who do it at home. However, people say there are

scarcely 900,000 party members in Shanghai. Therefore, Wu Bangguo called on organizations and departments at all levels to strengthen their propaganda on materialism and socialism to consolidate party members' communist ideals and improve the people's atheistic ideas. Wu Bangguo also warned against attempts to use religion for antisocialist propaganda.

The More Religious Believers, the Less Communist Believers

Religious belief and communism are absolutely antagonistic to each other. To put up a false front and maintain its rule over ethnic people, the CPC has to provide freedom of religious belief in the State Constitution, asserting that there are "three freedoms," but the rulers have deep hatred and fear for religions, particularly Western religions. The more religious believers, the less communist believers. This trend will shake the foundations of communist rule and the CPC understands this very well. Therefore, during the last 42 years, the CPC has always restricted and suppressed religious beliefs and has even taken a hostile attitude toward it.

The catastrophe of the 10-year "Cultural Revolution" has awakened the mainland people, whose belief in Mao Zedong and the Communist Party is weakening. Following the deepening of the communist confidence crisis, the development of reform and opening up, and the infiltration of Western culture, the number of religious believers in cities and towns is increasing at an astonishing rate. In particular, the world situation has drastically changed. This has made the CPC leaders feel uneasy.

Jiang Zemin Indicated Need To Strengthen Management Over Religion

On 28 January, CPC General Secretary Jiang Zemin invited 14 religious leaders to Zhongnanhai. Pretending to be courteous, he said this was "for an exchange of views and a frank conversation." He said at length that the party and the government would not change their respect and protection for religious belief, but subsequently stressed the need to "educate the masses, particularly young people, on a scientific world outlook." Everyone understands that cultivating a "scientific world outlook" means abandoning religious belief! How can there be protection for religious belief?

Jiang Zemin finally clarified the purpose of this conversation, namely, "strengthening management over religion according to law" "to protect healthy and normal religious activities." What is "management?" Obviously, it means intervention and restrictions. In other words, religious activities on the mainland are not "healthy" or "normal." When religious believers number more than party members, this is abnormal. Therefore the "management over religion must be strengthened according to law." More importantly, "hostile forces outside the borders must be prevented from using religion for infiltration."

Jiang Zemin has made clarifications before. Respected religious leaders are advised to behave cautiously.

XINHUA Details Shanxi Vice Governor's Dismissal

OW0503210492 Beijing XINHUA Domestic Service in Chinese 1308 GMT 5 Mar 92

[Text] Beijing, 5 March (XINHUA)—According to the Ministry of Supervision, facts about the accident in which many people died and injured in the lantern festival occurring at Yingze Park in Taiyuan on 24 September last year have been ascertained. It was a major accident caused by certain leading cadres' serious bureaucratic attitude and malfeasance, and by some working personnel's negligence of duty.

Attaching great importance to the accident after it occurred, the State Council instructed the Shanxi Provincial People's Government and relevant departments to deal with the aftermath of the accident, investigate the cause of the accident as quickly as possible, and strictly punish those who were responsible. The State Council recently decided to dismiss Li Zhenhua from the office of vice governor of Shanxi for incompetent leadership and punish 18 others according to party and administrative regulations. Those whose conduct constituted a crime will have their criminal responsibilities investigated by judicial authorities.

According to our reporters from Shanxi, members of the Seventh Shanxi Provincial People's Congress Standing Committee decided to dismiss Li Zhenhua from the office of vice governor of Shanxi after they deliberated on the case at the committee's 27th session on the afternoon of 4 March.

In September last year, Shanxi Province sponsored week-long activities in Taiyuan to promote friendly relations with foreign countries. The fanfare also included an international gong and drum show and the second Chinese folk arts festival. The lantern exhibition, called "lights on the coal sea," was an important part of the week-long activities. However, the exhibition went out of control at about 2235 on 24 September, causing great disorder. Many people died and were injured as a result of the serious congestion on the seven-arch bridge in the park where the lantern exhibition took place. As chairman of the organizing committee in charge of the activities, Comrade Li Zhenhua, governor of Shanxi, was found inattentive to security. His leadership over the lantern show was particularly ineffective. He failed to foresee certain situations which were likely to cause accidents, and did not take timely and effective measures to ensure safety. Thus, he could not shirk his responsibilities for causing the accident.

After the accident occurred, the Shanxi Provincial Party Committee and the provincial people's government took immediate actions to rescue those who were injured and deal with the aftermath. An investigation group composed of leading comrades of the provincial party committee and the provincial government was also formed to

investigate the accident. An inspection group composed of members of the Ministry of Supervision and the Discipline Inspection Commission of the CPC Central Committee also went to Shanxi to investigate the accident. In view of the serious accident and Li Zhenhua's mistakes, the State Council and the Shanxi Provincial People's Congress both decided to dismiss Li Zhenhua from his office of vice governor of Shanxi.

To learn a lesson from the accident, educate cadres, and improve operations, the Shanxi Provincial Party Committee and the provincial government have decided to educate all county-level and higher ranking leading cadres in Shanxi on the need to combat bureaucraticism and ensure safety. They reiterated that those who have caused major accidents as a result of negligence of duties, lack of discipline, and serious irresponsibility for people's lives and safety shall be strictly punished.

Kidnappings of Women, Children Reported

HK0503133692 Hong Kong AFP in English 1323 GMT 5 March 92

[Text] Beijing, March 5 (AFP)—Almost 20,000 women and children were kidnapped and sold in a single Chinese province in a year and half, said a newspaper in giving an idea of how extensive the trade in humans is in China.

Some 4,880 married women, 9,840 young women, 1,560 children and 3,054 new-born babies had been sold in 18 months in the province, which was not identified, the Henan Legal Daily.

In its February 28 issue, received here on Thursday, the paper cited the case of two sisters from the southern province of Yunnan having been sold in the central-west province of Sichuan for 3,400 yuan each (622 dollars).

A five-year-old child from the same province was sold for 4,200 yuan (769 dollars) to a farmer in Jiangsu in the east after having been fed candy laced with soporifics.

Some women who were kidnapped and sold suffered so much that they killed themselves, the daily said.

A man in the southern province of Guangdong cut gashes in the sole of his new wife's feet to prevent her escape, it said.

Though trade in humans gets the death penalty, the practice is still alive in the remote countryside.

It makes it possible to find a wife for the equivalent of 1,000 dollars and to avoid the usual expenses associated with the traditional Chinese marriage.

Rich farmers can also buy concubines in this manner and some of the women bought are taken to the cities where they are forced into prostitution, the paper added.

Some young women, often in their teens and illiterate, are attracted by traffickers belonging to networks spanning different provinces with promises of well-paid employment in the city.

They are then raped and sold to peasants in other provinces, it said.

Children are used as cheap labor in the countryside.

Chinese authorities have pledged a national campaign against the trade this winter or next spring.

But Yu Lei, vice minister of public security, has hinted that authorities were overwhelmed by the number of cases.

The public security ministry said recently that some 11,000 cases of kidnapping had been reported throughout China between January and October last year, far below the Henan paper's figures.

Courts To Try Former Editor for Information Leak

HK0603031792 Hong Kong THE STANDARD in English 6 Mar 92 p A-8

[By Cheung Po-ling]

[Text] A former assistant editor of the BEIJING DAILY [BEIJING RIBAO] will soon be tried for leaking information to foreigners.

The trial of Qi Lin, who criticised the government during the 1989 pro-democracy movement, contradicted the official claim that judicial procedures for all activists associated with the 4 June crackdown were completed.

Mr Qi was arrested on 11 July last year.

Although the reason for the arrest was not known then, his boss at the BEIJING DAILY told his family that he was suspected to have maintained contacts with Taiwan and dissidents in exile even after the 4 June event.

In the spring of 1989, Mr Qi, with reporters of the BEIJING DAILY and the BEIJING EVENING NEWS [BEIJING WANBAO], gave open support to the student demonstrations.

On 18 May 1989, Mr Qi played an active role in organising a protest outside the building of the Beijing Municipal Government.

He submitted a letter demanding both Beijing municipal committee party Secretary Li Ximing and Chen Xitong, Beijing mayor, to admit they had made mistakes over lying about troop movements.

Apart from being dismissed from the post of assistant editor, Mr Qi was also disqualified for the job as a journalist.

He was then placed on two years' probation by the party.

Mr Qi's family was informed last week that he was formally charged with "leaking information to foreigners" about the party's penalty for Hu Jiwei, a former director of the PEOPLE'S DAILY [RENMIN RIBAO].

'Big Victory' Scored in Guangdong Counterfeit Case

HK0503081592 Beijing RENMIN RIBAO in Chinese
27 Feb 92 p 3

[By He Weihe (0149 4850 0735) and Lin Zexin (2651 3419 2450): "Counterfeit Renminbi Case Cracked in Guangdong's Haifeng County"]

[Text] On 21 February, the Haifeng County Public Security Bureau of Guangdong Province scored a big victory in a barely 24-hour crackdown against a criminal gang that manufactured and sold counterfeit renminbi. Nine criminals were arrested. In the meantime, the Bureau also seized 97-million-yuan worth of counterfeit renminbi, a Japanese-made copying machine, and other tools for manufacturing these counterfeits.

On the afternoon of 20 February, the Haifeng County Public Security Bureau learned that Lai Nanxing, suspected of selling counterfeit renminbi, was staying in Haicheng township of Haifeng County. The Haifeng County Public Security Bureau immediately sent personnel to the Haicheng Public Security branch bureau for an investigation. In the early morning hours, they arrested Lai Nanxing and his accomplices Yu Jinshi, Ma Shilu, and Shi Shizai. In Ma Shilu's house, they seized some 400,000-yuan worth of counterfeit renminbi and tools for manufacturing these counterfeits. Riding on the crest of this victory, public security personnel arrested all of the five other criminals and seized 2.5-million-yuan worth of counterfeit renminbi and other tools.

After strenuous efforts made over one day and one night, public security personnel have thoroughly destroyed this criminal gang and removed a big scourge for the country and the people.

Reform Policies To Receive Legal Protection

HK0603063392 Beijing CHINA DAILY
in English 6 Mar 92 p 1

[By Xiao Li: "Policies of Reform To Get Legal Protection"]

[Text] China's legal experts are drafting a set of legal documents to ensure the smooth and speedy progress of its reforms and opening-up policies, the State Council's Legal Affairs Bureau said.

The laws being written pertain to economic activities and State macro-economics control in agriculture, industrial production, commercial transactions, planning and budgeting, and foreign-related affairs.

The Ministry of Agriculture, under the State Council, is also drafting a comprehensive package of rural economy laws to support stable growth in grain production.

Lack of investment led to a lull in water conservation development, which in turn contributed to the heavy losses during East China's flood disaster last summer and North China's drought this spring.

But experts believe investment problems can be prevented by laws requiring regular attention to water conservation projects.

The primary legal documents under consideration by the ministry cover agricultural investment, agriculture technology expansion, livestock inspection, rural industry, farming machinery, fertilizer management, environmental protection and land preservation.

"Agriculture needs a mammoth investment but has a slow return in profits, so an investment law is indispensable," said a ministry official.

And, as the central government slashes mandatory quotas in its determination to put enterprises in the market, departments concerned are drafting laws on competition, planning, budgeting, auditing, pricing, taxation and credit, the Legislative Affairs Bureau of the State Council said.

Currently, the Standing Committee of the National People's Congress (NPC), China's top legislative body, is revising its recently passed Patent Law and Trademark Law to better protect intellectual property rights.

Laws on open policies include maritime activities, special economic zones, foreign economic relations and trade, and foreign currency management.

These law drafts are both supported by and will support China's reforms and open policies, top legislators said.

The NPC and its Standing Committee have approved over 170 laws in the past decade including some amendments, a number far higher than the amount passed from 1949 to 1979.

Currently, 226 laws and regulations on foreign affairs and foreign nationals are expected to be released soon by the State Council.

In another aspect of China's open policies, the State will issue a three-volume compilation in English and Chinese to help foreign investors do business in China, which is the first of its kind, Cao Kangtai, deputy director of the State Council's Legislative Affairs Bureau, said at a news conference in Beijing.

'Upsurge' in Learning From Lei Feng in 1991

OW0503045892 Beijing XINHUA in English
0225 GMT 5 Mar 92

[Text] Beijing, March 5 (XINHUA)—China has encouraged its citizens to further learn from Lei Feng to wholeheartedly serve the people at their working posts, PEOPLE'S DAILY reported today.

Reviewing the upsurge of enthusiasm to learn from Lei Feng over the past year, the national newspaper noted that leading officials and departments of the Communist Party and government at different levels and trades as well as mass organizations have carried out various kinds of activities to learn from Lei Feng and encouraged people to make contributions to economic development and the reform and open policy.

Last year saw more and more people follow the example of Lei Feng and they are diligent and conscientious in serving the people. They are respected and commended by the broad masses of people.

Lei Feng, a driver with the People's Liberation Army, died while on duty in August 1962 at the age of 22.

A campaign to learn from Lei Feng about serving the people wholeheartedly has been carried out across the country since March 1963 when the late Chairman Mao Zedong issued the call to learn from Lei Feng.

Xiu Weicheng, vice-head of the Propaganda Department of the Chinese Communist Party Central Committee, was quoted as saying that China is at the stage to speed up its reform and open policy and boost economy and develop China into a socialist state with its unique Chinese characteristics. It is in need of millions of people like Lei Feng.

He said to learn from Lei Feng is part of the important content of advanced socialist culture and ethics and called on localities to carry out the drive in a down-to-earth manner and encourage people to make contributions to the state and the people at their work post.

Active Theoretical Study of Lei Feng

OW2702112392 Beijing XINHUA in English
1054 GMT 27 Feb 92

[Text] Beijing, February 27 (XINHUA)—Theoretical research has been active on learning from Lei Feng, which has pushed forward the activities to learn from Lei Feng in the country.

Lei Feng was a young soldier and was held up as a model in working for communism in the 1960s. There was an upsurge of learning from Lei Feng before the Cultural Revolution and this movement has continuously been encouraged during recent years, giving rise to a number of research societies which have focused their attention on the subject of learning from this communist fighter.

The National Research Society of Learning from Lei Feng has now 1,300 members in 29 provinces, municipalities and autonomous regions.

In Fushun city of Liaoning Province where Lei Feng used to serve in the People's Liberation Army and died there, a research association of Lei Feng has been set up and a periodical, the "Forum of Learning from Lei Feng", has been published.

Symposia on learning from Lei Feng have been held in 29 provinces, autonomous regions and municipalities and in 1990, some theory research books on learning from Lei Feng were published.

Essays on Lei Feng Published

OW2702140292 Beijing XINHUA in English
1339 GMT 27 Feb 92

[Text] Beijing, February 27 (XINHUA)—The Shenyang Baishan Publishing House recently published the "Collection of Essays on Lei Feng," a model People's Liberation Army soldier widely known for his selflessness and lofty morals.

The 300,000-word collection is divided into two parts which provide a thorough description of the life of Lei Feng and his revolutionary activities and spirit.

The collection also sums up the experiences of those who have learned from the great soldier since the early 1960s when a number of Chinese leaders, including the late chairman Mao Zedong, called on the nation to follow the Communist deeds and spirit of Lei Feng.

The collection was mainly compiled for use by soldiers, and the editors fully expect it will promote the nationwide movement to learn from Lei Feng which is now 30 years old.

Claims About Tibetan Population Refuted

HK0503063792 Beijing RENMIN RIBAO OVERSEAS
EDITION in Chinese 3 Mar 92 pp 1, 4

[Article by staff reporter Lu Xiaofei (4151 1420 7378): "Truth About the 'Tibet Population Issue'"]

[Text] The so-called "Tibet population issue" has been brought to international forums by some people countless times. Some of the statements are appalling, claiming, for instance, that "Tibet used to have a population of 6 million and China slaughtered 1.2 million" and that China "has carried out migration into Tibet, reducing the Tibetans to the status of a minority," and "has committed genocide" in Tibet. Although the stories differ from time to time and are even contradictory, it has stirred up a turbid wave of advertising "Tibetan independence" in the international arena under the pretext of the so-called human rights issue.

What is the truth, after all?

Tibet's Population More Than Doubled in 40 Years

The Population Statistics Department of the State Statistical Bureau supplied the following four population figures:

In the first national population census in 1953, the former Tibetan local government reported the population of Tibet as 1 million. At that time, the conditions in Tibet were inadequate for a census and there was no data on the nationalities structure.

In the second national population census in 1964, the population of Tibet was found to be 1.25 million, of which 1.209 million was Tibetan, forming 96.6 percent of the total. Restricted by conditions, only a sampling was done in Tibet in the said census.

In the third national population census in 1982, the population of Tibet was found to be 1.892 million, of which 1.786 million was Tibetan, forming 94.4 percent of the total.

In the fourth national population census in 1990, the population of Tibet was 2.2 million, of which 2.1 million was Tibetan, forming 95.45 percent of the total. The combined population of the Menba [7024 1572] nationality, Luoba [3794 1572] nationality, Han nationality, and other nationalities constituted under 5 percent.

Li Zuomin [2621 0146 3046], a Tibetologist who has worked in Tibet for 30 years, told this reporter that the population figure for the 1950s was an estimate made by former Tibetan local government officials, based on the "poll tax" registration books under the old system. The old government was a typical bureaucratic organ. It would only exaggerate the figures in order to collect more taxes. (Gongdelin) [0501 1795 2651] Oiser Gyaincain, who was involved in this process, used to be a Rank Three official in the former Tibetan local government and now lives in India.

Li Zuomin said: "In 1985, (Gongdelin) came to Beijing in the capacity of chairman of the fourth observation group sent by the Dalai Lama. He came to my home as my guest. I asked him: You are familiar with the Tibetan population in old Tibet. It was under 1 million. But now you all claim that there used to be 6 million people in Tibet. Where did the figure of 6 million come from? Did it drop from heaven? You claim that the Communist Party slaughtered over 1.2 million Tibetans. Are you not saying that all the Tibetans were killed? If that is the case, where has the population in Tibet today, nearly 2 million, come from? He was speechless."

Li said: The population in old Tibet had always been declining, but it has more than doubled during the 40 years since the peaceful liberation of Tibet. He alerted this reporter to the fact that more profound than the change in the size of the population is the improvement of the quality of life. In the early 1960s, the survival rate of infants was only 15 percent. But now the rate is 95 percent, and the average life span has risen from 35 years to 65 years.

Tibet [Xi Zang 6007 5661] and Tibetan Areas [Zang qu 5661 0575] Are Different Concepts

Yang Houdi (a Tibetan), director of the Policy and Legislation Department of the State Nationalities Affairs Commission, pointed out that the first thing to do in discussing this issue is to make a distinction between two concepts, Tibet and Tibetan areas.

He said: Some people, when talking about this issue, deliberately mix up these two concepts in an attempt to realize their goal of "Tibetan independence" by taking advantage of many foreigners' lack of understanding of the distribution of Tibetans in China. He pointed to a stack of history books, and said to this reporter: Today's Tibet Autonomous Region is roughly the same administrative region as was defined in the Yuan Dynasty, so the boundaries were formed in history, which can be proved by historical data. Tibetan areas refers to places of Tibetan settlement in Tibet as well as four other provinces, namely, Sichuan, Qinghai, Yunnan, and Gansu. The Yuan Dynasty split the Tibetan settlements into three administrative areas which later became the three major dialectal zones, namely: Weizangali [5898 5661 7093 6849], which is roughly what is now the Tibet Autonomous Region; the Anduo [1344 1122] zone, which includes southwest Qinghai, southern Gansu, and the pastoral areas of northwest Sichuan; and the Kang [1660] zone, which includes western Sichuan and northwest Yunnan. Some foreigners call both Tibet [6007 5661] and Zangqu [5661 0575] "Tibet" [preceding word published in English], and the whole of the Zang nationality "Tibetan," [preceding word published in English] (Tibetan), which easily leads to confusion regarding the populations of Tibet and Tibetan areas. And some people with ulterior motives deliberately mix up these two concepts.

Where Did the 6 Million Tibetans Come From?

How many Tibetans are there in our country? The total population of the Tibetan nationality nationwide, as revealed by the Population Statistics Department of the State Statistical Bureau, which obtained the figures from the four national population censuses mentioned earlier, were: 2.775 million in 1953, 2.504 million in 1964, 3.87 million in 1982, and 4.59 million in 1990.

In their thesis on the population of the Tibetan nationality, Ma Rong [7456 2051] and Pan Naigu [3382 0035 6253] of the Sociology Institute of Beijing University pointed out: The result of the first census was not challenged by the former Tibetan local government at the time. It was not until 1962 that the Dalai Lama, in exile in India, claimed that the total population of the Tibetan nationality was 7 to 8 million. In 1987, 25 years later, he changed his formulation and said that the Tibetan population was 6 million. After analyzing the changes in the Tibetan population, the two researchers remarked: Since centuries ago, the population of the Tibetan nationality in our country has never reached 6 million.

"Where did the 6 million come from? Did they drop from the sky?" Yang Houdi retorted in a similar tone. He said: "I am Tibetan myself and have been studying Tibetology for a long time, so I am familiar with the population of the Tibetan nationality. There are 4.59 million Tibetans within the borders of our country. We have learned that there are about 600,000 in Bhutan, 300,000 in Sikkim, 200,000 in Ladakh, and some

100,000 in other parts of the world. Putting them all together, even the total number of Tibetans in the whole world is less than 6 million."

Pyramid and Spindle

The thesis of Ma Rong and Pan Naigu was published in a 1988 issue of "ZHONGGUO RENKOU XUE [CHINA'S DEMOGRAPHY]." When analyzing the age structures of the Tibetan population and Han population in the Tibet Autonomous Region, they pointed out: The age structure of the Tibetan population is like a pyramid, with the old at the top and infants at the bottom, and the population gradually increasing with age [as published]. But the age structure of the Han population is like a spindle, with both ends small, but the middle bulging. They contended: Anyone with a basic knowledge of demography knows that abnormal numbers of deaths caused by incidences such as wars and famines may affect the age structure of a population, and indentations may appear in the pyramid as a result of large numbers of deaths in a particular age group. But the structure of the Tibetan population is normal, and there is no sign of a large numbers of deaths. In the Han population, the people in the 25 to 29 years age group make up the largest proportion, and those under 14 are a minority. This indicates that a large portion of the Han population in Tibet are young people carrying out terms of service. Most are doctors, teachers, engineers, and technicians who have gone there after graduating from college. These two scholars said: It is completely groundless to claim that "more than 1 million Tibetan people died unnatural deaths" and that "there was a massive migration of Han people into Tibet."

The Truth About the So-Called "Migration Into Tibet"

The so-called "migration" here is often the result of mixing population migration with the floating population. A cadre in the Ministry of Public Security in charge of household registration told this reporter that only a change in registered permanent residence is considered an act of migration. Those who work elsewhere without any change in their registered permanent residences are counted only as part of the floating population. The population statistics on them show that over the past 40 years, total migration from and into Tibet has basically been in balance. Starting from the beginning of the 1980s, there were a few emigration rushes among the Han population in Tibet. For instance, in each of the years 1981, 1984, and 1990, tens of thousands of Han people moved out of the region. This was known to many as the "return to the hinterland" of large numbers of Han cadres and technicians after completing their terms of service.

As to the floating population, its main component is the large numbers of rural labor swarming into the cities since the reform and opening up started. Up till now, we still have no scientific means to monitor them. It is estimated that the floating population nationwide is some 70 million, of which the overwhelming majority

have flowed to coastal open cities. The floating population that has gone to Tibet constitutes only a very small proportion. They are the ones who run restaurants, barber shops, and businesses, all to make a profit. They belong to the floating population and will eventually go back to their hometowns. Therefore, they should not be confused with immigrants.

At the newly built Hearing Recovery Research Center for Deaf Children in Beijing, this reporter met with Ba Zhonghui [1572 6850 1920], the physician in charge. She went to Tibet to work in 1976 and was transferred back to her hometown only recently. She said: "When I was deciding where I should go on the eve of graduation from college, I heard that the medical field undermanned in Tibet, and that specialists in that area were badly needed. So I signed up for a job in Tibet. That was truly sacrificing personal interests in pursuit of a noble spirit." She said that tens of thousands of university graduates like herself went to Tibet in those years, and that they have mostly returned to their hometowns.

Liu Dadao [0491 1129 6670], former principal of Lhasa Middle School, went to Tibet in 1960. He and his wife worked there for 26 years. Being a model school principal, he is highly regarded in educational circles, and has tens of thousands of pupils everywhere, most of whom are Tibetan and are now key members of various trades and professions in Tibet, one of them being President of Tibet University Cewang Junme. The two old people are retired now and live in an apartment in the western suburbs of Beijing. They were unhappy about statements on migration, saying: Tibet needed large numbers of experts in various trades and professions after the democratic reform. At that time, the thousands of us who went together to Tibet were selected from cultural, educational, public health, and scientific and technological circles. We were told that the assignment in Tibet would last three years, after which newcomers would replace us. We never guessed that we would be urged to stay on and on, because of the shortage of experts, until we had spent our youth in Tibet. It was only in our old age that we were allowed to retire and come home. Who would have done this, had it not been for the construction of Tibet?

On 27 June 1987, former U.S. President Jimmy Carter, when visiting Lhasa, questioned Banqen X on the issue of migration. Banqen replied: "All the Han compatriots who came to Tibet to work are technical experts. They have come merely to help us build our homeland. They will return to their own hometowns in the future." He was probably referring to people like Ba and Liu.

Tibetan New Year Celebrated in Beijing

OW0403145092 Beijing XINHUA in English
1409 GMT 4 Mar 92

[Text] Beijing, March 4 (XINHUA)—More than 1,000 Tibetans living in Beijing gathered today at the Cultural Palace of Nationalities to mark the traditional Tibetan New Year which falls March 5.

Nyima Cering, director of the Tibet Autonomous Region Office in Beijing, extended festival greetings to the participants.

According to Cering, the region's all around success during 1991 can be attributed to the leadership of the Communist Party of China and the central government, as well as to the support of the people of all nationalities.

Cering said that 40 years of experience has shown that safeguarding national unity and strengthening the unity of all nationalities have been the guarantors of development in Tibet.

Jiang Zemin Praises Opera as Party Lecture

OW0503020992 Beijing XINHUA Domestic Service
in Chinese 1419 GMT 4 Mar 92

[Text] Beijing, 4 Mar (XINHUA)—Audio cassettes and video cassettes for "Daughters of the Party," a modern Chinese opera, were formally released recently.

The opera, adapted from its namesake movie, is a fine piece of theatrical performance. Cast by best actors from the Army, it came into being under the personal interest and guidance of leaders from the Central Military Commission and the General Political Department. The opera creates glorious images of communists who remain faithful and unyielding despite death threats during a period of revolutionary low tide. Jiang Zemin praised the opera as an interesting party lecture. In the opera, Peng Liyuan, Yang Hongji, and others present many soul-touching songs.

The cassettes are recorded by the Cultural Department of the General Political Department, published by the White Swan Audio and Video Publishing House, and released by the White Swan Acoustic Company.

Minority Population Up by 3 Million Per Year

HK0603005992 Beijing ZHONGGUO XINWEN SHE
in Chinese 0540 GMT 29 Feb 91

[Report: "Annual Net Increase of China's Minority Nationality Population Close to 3 Million"]

[Text] Beijing, 29 Feb (ZHONGGUO XINWEN SHE)—China's ethnic minority population has been growing rapidly. The eight years from 1982 to 1990 registered a net annual growth of more than 2.99 million in the ethnic minority population.

Findings of China's fourth population census in 1990 show that Mainland China's ethnic minority population has reached 91.2 million or more, an increase of 35.53 percent over 1982, when the third population census was conducted, making the growth rate 23 and 25 percentage points higher than that of the whole nation and that of the Han population respectively.

The next issue of the LIAOWANG OVERSEAS EDITION weekly to be published next Monday carries an

article noting that the rapid growth in China's ethnic minority population can be mainly attributed to the government's efforts to improve the working and living conditions for the minority nationalities. Among other factors contributing to the rapid growth in the ethnic minority population are the development of public health services for minority nationality areas and the implementation of a special population policy for minority nationalities.

The Chinese Government has adopted many measures to help minority nationalities develop the local economy. The article cites for example the case of Tibet, which received financial subsidies totaling 14.5 billion yuan from the state from 1952 to 1990. The state has also helped the Kuchong nationality migrate out of primeval forests in mountainous areas of Yunnan Province, where they have lived for generations, and has assisted them in building new houses and reclaiming wasteland. Thanks to a series of policies and measures that the state has implemented in Tibet to promote production and encourage childbearing, Tibet's population has increased from 1.05 million at the time of peaceful liberation in 1951 to 2.096 million in 1990, while the Tibetan population has increased by 1,096,000, a growth of 110 percent.

The article says: The Chinese Government has vigorously promoted public health services in areas inhabited by minority nationalities, thus maintaining a high level of health among minority nationalities. The government has enforced a fully subsidized public health service system among some minority nationalities with small populations, such as the Oroqen nationality, and in Tibet Autonomous Region. With national aid, public health organizations, hospital beds, and medical service personnel have all increased tremendously in minority nationality areas. In addition, the government has also set up itinerant medical service teams to provide medical services in minority nationality areas, thus basically extinguishing smallpox, tuberculosis, leprosy, malaria, venereal diseases, and brucellosis in these areas. In consequence, mortality has dropped substantially in minority nationality areas.

In China, a planned parenthood policy, applicable to people of the Han nationality, encourages the practice of one child for each couple. However, for people of minority nationalities, a flexible policy is applied to them, allowing each couple to have two or three or even more children. In addition, the legal age for marriage is lowered by two years in national autonomous areas.

Nowadays, in Mainland China, minority nationalities have the biggest centenarian population groups and the highest birth rates and natural population growth rates. Incidentally, the areas with higher population growth, which account for nearly one-third of China's total area, are mostly areas inhabited by minority nationalities.

Vice Public Security Minister on Social Order

OW0603101092 Beijing XINHUA Domestic Service
in Chinese 0608 GMT 6 Mar 92

[Text] Beijing, 6 March (XINHUA)—Recently, Vice Public Security Minister Yu Lei made a statement on the implementation of the "Decision on Strengthening Comprehensive Control of Social Order" one year after its publication.

Yu Lei said: Public security organs at all levels vigorously stressed the link of "striking hard at crimes" last year. Particularly since the campaign against theft was launched in September, public security organs nationwide had uncovered some 520,000 thefts of various kinds, recovered a large quantity of means of industrial and agricultural production, and seized stolen money and goods worth over 1.35 billion yuan by the end of last year. The number of criminal cases uncovered by public security organs throughout the country in 1991 was 1.46 million or more, about 190,000 more than the figure in 1990 and a 15.5 percent increase. They arrested some 510,000 criminals according to law, uncovered many important cases of significance influence, and eliminated a group of criminal gangs that were harmful to society.

Public security organs in various localities also rigorously controlled public order in many fields. They emphatically strengthened the management of waste recovery business, inns, places of public entertainment, bicycles, firearms, and explosives. Through rectification, clues to a number of cases and loopholes in management were discovered. Such discoveries were important in cracking down on and preventing crimes. Meanwhile, remarkable achievements were also made in the management of residents' identification cards, transportation, fire fighting, frontier defense, and exit and entry.

Yu Lei noted: Last year, public security organs continued to exercise greater guidance to public security committees, joint defense forces, and security organizations of enterprises and institutions, and mobilized the masses to participate actively in the comprehensive control campaign. As a result, these mass public security organizations were significantly improved in quantity and quality. Together with commercial, cultural, public health, and tourist sectors and industrial and commercial administrations, the Ministry of Public Security last May studied and made arrangements for launching special campaigns on cracking down on prostitution, and on strengthening the control of public order in hotels and public places of entertainment.

Interprovincial Cadre Exchange Program Successful

OW0603100392 Beijing XINHUA in English
0839 GMT 6 Mar 92

[Text] Xian, March 6 (XINHUA)—China is expanding its cadre exchange programs among its eastern and western provinces.

According to informed sources here, the programs, first initiated between Jiangsu and Shaanxi Provinces last April, enabled groups of cadres of one province to hold posts in another for a period of time.

The move was aimed at strengthening the economic cooperation and exchanges between the two localities.

Other places are following suit. Now 23 cadres from Tianjin municipality have gone to Lanzhou, Tianshui and Baiyin cities of Gansu Province, while 18 of their counterparts in those places have come to Tianjin.

The same programs have also been going on between the under-developed old revolutionary bases of Shaanxi Province and coastal areas of Shandong Province.

Meanwhile the Xinjiang Uygur Autonomous Region and Qinghai Province are busily searching for proper partners among eastern coastal provinces.

The programs have yielded positive results, the sources said.

The newcomers brought with them more information to the places where they go. People from the eastern coastal areas frequently talked with their local friends about commodities and markets. Those from the western hinterland learned for the first time how to swim in the river of commodity economy in eastern provinces.

People in those western provinces, though many were poverty stricken, never asked their new friends who came from better developed areas for any financial aid, instead they wanted more access to information, and training courses for local management and technical personnel.

The fences of local protectionism were gradually removed due to frequent economic exchanges. The small town of Tianshui in Gansu Province is rich in grain products, but it had a great headache in selling them out each year in the past. Later cadres from Tianjin managed to find a big market in their home city. Now part of the Tianshui grain products are even exported through the municipality.

According to statistics here, inter-regional trade among related areas in Jiangsu and Shaanxi Provinces has valued at 120 million yuan so far since the program started, featuring 60 percent of the products from Shaanxi.

Some 200 economic cooperation agreements have been reached with the help of exchanged cadres in those provinces during the past 10 months, involving a joint trade volume of 180 million yuan.

Science & Technology

Song Jian Comments on 'Mighty Dragon' Program

OW0503105092 Beijing XINHUA in English
1040 GMT 5 Mar 92

[Text] Changsha, March 5 (XINHUA)—Central China's Hunan Province has made a good start in implementing what is called a "Mighty Dragon" program aimed at promoting technological progress in large and medium-sized enterprises.

Song Jian, minister in charge of the State Science and Technology Commission, has recently described the program as "a great pioneering undertaking."

Hunan Province launched the program in 1990. Its goal is to introduce advanced technology into large and medium-sized enterprises.

So far, the program has covered 200 of the 474 such enterprises in the province, which have introduced 72 development projects. The province allocated more than eight million yuan as a starter.

In the past, only 40 percent of the over 10,000 scientific achievements introduced in the province each year could be used because of the limitations of antiquated management systems and shortages of funds.

According to informed sources, 16 of the projects have entered the operational stage.

When all the projects are completed the province expects the total output value to increase by 900 million yuan, a 25 percent increase over the present figure. In addition, the province expects profits and taxes to exceed 210 million yuan, while total revenue will increase by 80 million U.S. dollars.

Enterprises participating in the program are required to invest one percent of annual sales in scientific development projects, thereby increasing provincial investments in this area by 500 million yuan annually.

In addition, the program stipulates that chief engineers of projects will assume responsibility for scientific researches, the use of funds and personnel management.

At present, over 60 percent of Hunan's state-owned firms have established special high-tech development departments.

The provincial science committee also allocated over 200,000 yuan to reward individuals and organizations who make special contributions to the program during the first year.

At the same time, industrial and commercial banks in the province have established special loan funds for scientific projects. Thus far, some 67 percent of the capital has gone to large- and medium- sized state enterprises.

Australian Satellite To Be Launched 22 Mar

OW0503064792 Beijing XINHUA in English
0521 GMT 5 Mar 92

[Text] Beijing, March 5 (XINHUA)—On the southern outskirts of Beijing, there is a mysterious compound, and vigilant sentries with rifles at its gate carefully examine the identification cards of everyone passing through, the ECONOMIC DAILY reported.

No outsiders had known what kind of institution this compound was for several dozen years until 1985, when Li Xue, the then minister of the astronautic industry, declared that China's carrier rocket was to launch satellites for foreign countries and this compound, China Institute of Carrier Rocket Technology, unveiled its mystery.

On April 8, 1984, China's Long March 3 rocket, designed by this institute, sent China's first experimental telecommunication satellite into a predetermined orbit.

Xie Guangxuan, chief engineer of China's Long March 3 rocket, said that this signified that China's rocket technology has ranked among the most advanced countries in the world. He said China was the fourth country in the world to be capable of sending satellites with a lift-off capacity of 1.4 tons into an orbit 36,000 kilometres away from the earth.

China was the third in the world to equip rockets with hydroxide engines, after the U.S. and France.

China was the second in the world to master a second-ignition technology in the hydroxide engines.

China's rocket was the most inexpensive and of good quality. Statistics show that in the 30 years after the institute was set up in 1957, the investment on the research of the development of China's astronautic industry averages 100 million yuan a year, or equal to ten cents per capita each year for the one billion people in China.

In 1985, China's Institute of Carrier Rocket Technology decided, after research on the international rocket market, to develop rockets with large lift-off capacity so as to have China's carrier rocket enter the international market.

At the end of 1988, a contract was signed by the Chinese side and the Hughes Company of the U.S., which stipulated that China would send up two satellites made by Hughes for Australia, with China's Long March 2-E rocket, in 1991 and 1992.

Also according to the contract, China had to erect the rocket on the launching pad before June 30, 1990, which meant that the Chinese side had to design and manufacture a new type of rocket within 18 months. Usually this process would take some four years.

In five months, scientists in the institute completed the Long March 2-E rocket dynamic model and lift-off capacity analysis, which won praise from their American counterparts.

During the process of the design of the Long March 2-E rocket, scientists and researchers provided some 440,000 design blueprints, factories made innovations on 5,000 sets of jigs and fixtures and 126 technological innovation projects.

On June 16, 1990, China's first Long March 2-E rocket was successfully launched at the Xichang launch site, Sichuan Province, southwest China.

The success of the Long March 2-E rocket has attracted wide attention from the media in developed countries.

Now, scientists and technological personnel of the China Institute of Carrier Rocket Technology have arrived at the launching site in southwest China and have been making preparations for the launch of the Australian satellite scheduled on March 22.

Military

Delegate at German Forum on Converting Technology

OW2902113392 Beijing XINHUA Domestic Service
in Chinese 0217 GMT 29 Feb 92

[Text] Bonn, 28 February (XINHUA)—At the invitation of the UN Science and Technology Development Center and Germany's Dortmund University, Vice Minister Huai Guomo of the Chinese Commission of Science, Technology, and Industry for National Defense headed a delegation to the international conference on transferring military technology to civilian sectors, which was held in Dortmund 24-27 February. Huai Guomo delivered a speech at the conference.

Huai Guomo said: China has made substantial achievements in transferring military technology to civilian use during the past 10 years and will, under the state's principle of furthering reform and opening wider to the outside world, further promote international cooperation in the 1990's.

Huai Guomo's remarks have generally aroused concern and interest among the participants to the conference.

This is the third international conference on transferring military technology to the civilian sector, following the Moscow meeting in 1990 and the Beijing meeting in 1991. Some 200 deputies from 31 countries attended the conference.

Army Steps Up Ideological Education of Recruits

HK0303061092 Beijing RENMIN RIBAO in Chinese
25 Feb 92 p 3

[By Li Chunyuan (2621 2504 0337) and Ren Lijun (0117 4539 6511): "A Certain Group Army in Beijing Military Region Pays Attention To Fortifying New Soldiers' Faith in Socialism"]

[Text] A certain Group Army in the Beijing Military Region adopted various forms to conduct education on "strengthening faith in socialism" specially aimed at new recruits, teaching them to love the Party, the motherland, and socialism even more ardently.

To conduct solid and effective education on having faith in socialism among recruits, the Group Army's political organs at all levels bought and received from the upper level more than 10,000 copies of political educational material and trained more than 200 political teachers at various levels. In the education process, according to the different cultural standards and comprehension ability of the recruits and the different degrees of political education they received before joining the Army and their original educational levels, they were divided into classes and groups to study step by step. In the education process, the leading cadres in charge of the political departments at various levels wrote articles in person and, combining the reality, gave lectures to the recruits systematically on the nature and special features of socialism; on how the party led the people in taking the road of socialism and carrying on reform and opening up to bring about the enormous changes and superiority in the people's life and the construction of the motherland; and on why socialism will certainly replace capitalism. To make the education more interesting and lively with plenty of reasons and evidence, they conducted various forms of activities to give omnidirectional enlightenment to the recruits, such as organizing teams of lecturers; printing and issuing propaganda material; publishing board or wall newspapers; giving lectures via closed circuit television; requesting local factory, mine, and enterprise leaders, as well as typical examples of getting rich by assiduous labor in the rural areas, to make reports; and so on. Moreover, they also organized new soldiers to hold discussions on the topics of "I say socialism is good," "Let us talk about new changes in our hometown," and "Love socialism ardently and speak highly of the most glorious socialism." The cadres let new soldiers who are from different provinces, regions, and of different nationalities get to the platform and talk about things which happened in their hometown and around them, and about their feeling and experience, so that the recruits are able to carry on self-education. Yang Xueqiao, a recruit from Beijing, said: "The revolutionaries of the old generation fought to win state power for us, the people of the whole country depict the landscape with their sweat, so we must turn our firm faith in socialism into boundless strength, taking great pains in military training to safeguard our motherland."

Tibet Military District Curbs Corrupt Practices

OW0203153692 Lhasa Tibet People's Radio Network
in Mandarin 1430 GMT 1 Mar 92

[From the "Tibet News" program]

[Text] In the light of the actual conditions among military units in Tibet, the Discipline Inspection Commission of the Tibet Military District, understanding the strategic importance of publicizing the building of a clean government and curbing corrupt practices to the survival of the party and the government, has formulated appropriate measures and regulations for curbing corrupt practices and strengthening the building of a clean government. This year, the commission has saved the military district from losing more than 4 million yuan.

Because military units under the Tibet Military District are subject to the restrictions of objective conditions such as topography, climate, and environment and the influence of the trend of bourgeois liberalization that has emerged in the past few years, some of their party cadres have begun to harbor the notion that they deserve special treatment in living conditions and concerning more freedom of movement. As a result, some of them have violated discipline.

To deal with these phenomena that harm the party's prestige among the masses, the Discipline Inspection Commission has strengthened education among the party cadres. A unit originally planned to build some quarters for cadres at a cost of 200,000 yuan. There was lots of confidence at the beginning, but after a few days, members of the Standing Committee of party of the unit felt that although their quarters were old and shabby, they could still last a few more years. Consequently, they used the 200,000 yuan for the construction of a greenhouse for the troops to cultivate vegetables. This year, a regiment in Lhasa undertook a large number of projects to build barracks, but members of its party committee maintained their integrity by refusing to accept bribes or gifts worth more than 30,000 yuan. In dealing with problems that concern cadres and soldiers, the party committee of the Nyingchi Military Subdistrict has always relied on collective discussions to solve the problems. The Discipline Inspection Commission of the military district has made use of these typical cases in building a clean government to educate the troops. As a result, a good practice of educating and caring for each other has spread quickly among the troops.

While promoting a clean government and honesty, the Discipline Inspection Commission of the Tibet Military District also attaches importance to the investigation and punishment of party members who have violated discipline. The commission has never ignored cases involving the harming of the party's image and the violation of party discipline.

Since the beginning of this year, the commission has taken the task of resisting corruption and promoting honesty as an important means of raising the party's

prestige and combating peaceful evolution. It has set up more than 160 inner-party supervisory groups and information groups, which are composed of more than 970 people, in all military units under the military district, and set up a system for the masses to make comments and submit reports on a regular basis. The commission has also formulated a provisional set of regulations for punishing party members who violate the policies on nationalities and religion and who take part in gambling; distributed to various units 18 measures on inner-party supervision and six suggestions concerning the handling of violators; and has taken the lead in instituting the open work system in the Chengdu Military Region. This year, the Discipline Inspection Commission has also drafted a suggestion for implementing the Central Committee's Document No. 17 and a circular on making investigations so as to ferret out military cadres who are engaged in business, thereby effectively promoting the building of the military units under the Tibet Military District.

Hong Kong Paper Views Zhuhai Military Conference

HK0203091592 Hong Kong CHENG MING in Chinese
No 183, 1 Mar 92 pp 15-16, 89

[Article by Lin Wu (2651 2976): "Inside Story of Central Military Commission's Meeting in Zhuhai's Yuanlin Guest House"]

[Text] Deng Xiaoping's visit to the special economic zones of Shenzhen and Zhuhai in late January was a "practical act" of retaliation against Chen Yun's defiance of the "one central task theory." Deng's activities were reported at length in the overseas media, but some unusual activities in another place—Yuanlin Guest House in Zhuhai—were not so well publicized.

Central Military Commission Meeting Held Amid Heavy Security

On the evening of 25 January, the Yuanlin Guest House in Zhuhai was lit up like a Christmas tree, but nobody noticed because of the heavy security there—special security measures were adopted by a company of security guards from the Guangzhou military region which had sealed off the guest house. It turned out that the highest military personalities were assembled here for a Central Military Commission [CMC] conference.

The conference, presided over by Yang Shangkun, began in the evening and lasted until 0400 the next morning. Taking part in the conference were Liu Huaqing, Yang Baibing, Qin Jiwei, Chi Haotian, Zhao Nanqi, Ding Henggao, as well as commanders from the different military regions, districts, and services.

Qiao Shi's Presence at the Meeting Draws Attention

The presence of Qiao Shi, a member of the Political Bureau who has little contact with the military, at this enlarged meeting of the CMC was particularly interesting.

At around 0800 on the morning of 26 January, Yang Shangkun, Liu Huaqing, Qin Jiwei, and others went to Zhuhai's Shijing Mountain Village where they reported to Deng Xiaoping on the conference. The top hierarchy in Beijing described this meeting as the CMC's "25 January" Yuanlin meeting.

Since the fall of the CPSU and the collapse of the Soviet Union, the CPC's top hierarchy has held all kinds of meetings and issued all sorts of "counter peaceful evolution" documents for the purpose of resisting this type of influence. However, this influence seems to have thrown the CPC into disarray and has even triggered off a great shock among the top hierarchy, thus intensifying the struggle at the top. But the revolutions in Eastern Europe and the Soviet Union have at least caused the political elders of Zhongnanhai to reach a consensus: Bolster the tools of dictatorship and step up the party's control over the Army, police, and secret services. This was the backdrop for the convocation of the CMC's 25 January meeting.

Army's Central Tasks Discussed at the Meeting

Sources in Beijing's top military hierarchy revealed that the CMC's 25 January Yuanlin conference discussed the People's Liberation Army's central tasks under the new situation in the 1990s, that is, stepping up party building within the Army, streamlining the three services, and comprehensively speeding up efforts to make the Army modern, scientific, sophisticated, and battle-efficient.

Reorganization of Leading Teams in Each Major Military Region

Six major issues were discussed at the meeting. One: The reorganization of the leading teams in the key military regions and a necessary familiarization and clear grasp of the situation in each military region. This was a method used by Mao Zedong to prevent the conversion of any single military region into a mountain stronghold or independent kingdom and is applied to this day. However, it also shows the CPC's uneasy concern with the Army as well as exposing the quality of the Army's leadership; as most top leaders come from the peasantry and peasants' feudal ideas could easily give rise to the formation of factions and spheres of influence within the Army.

Obscurantist Policy Hinders Modernization and Growth

The meeting also discussed ideological quality and the level of military proficiency among the Army's cadres. A more open-minded division cadre pointed out: This problem will never be resolved because the CPC needs a tame Army which will defend the Communist Party no matter what. The CPC pursues a policy of keeping the Army ignorant which is inconsistent with modernization. Modernization requires young intellectuals to absorb and study the military science and technology of advanced countries. But they will not accept an obscurantist policy. This has already been proven when

teachers and students from the military academies joined the pro-democracy movement in 1989.

Emphasize the Army's Role in the "One Central Construction" Effort

Three. [as published] The meeting discussed the duties and responsibilities of the Army in the country's central task of the moment, that is, the building of socialism with Chinese characteristics. There is positive significance in the fact that the meeting took up this issue for it affirms the "one central task" theory of Deng Xiaoping, that economic construction is the central task, and makes no mention of the "other central task" advanced by Chen Yun, namely, "ideological building as the central task." These two viewpoints are also subjects of contention within the Army, but it appears that the moderates have temporarily gained the upper hand.

Unify the Army's Understanding on Use of Force Against Taiwan

Taiwan policy was also raised at the meeting which sought to achieve ideological unanimity on the issue of eventually resorting to military means to resolve the Taiwan question. The CPC is aware that peaceful evolution in the Soviet Union and Eastern Europe has undoubtedly boosted Taiwan's faith and determination that reunification can only be achieved on the basis of peaceful evolution. Hence, under the current circumstances, the conditions for "peaceful reunification" are not yet ripe and "reunification" can only be accomplished through the use of force against Taiwan. This has to be clarified within the Army or it might create a "negative" impact.

The meeting proposed that measures be drawn up to deal with U.S.-led Western intervention, subversion, sabotage, and ideological penetration in China.

It also discussed amendments to the recruitment, demobilization, and retirement systems.

Qiao Shi Coordinates Work Involving Army, Police, Secret Service

At the meeting, Yang Shangkun proposed that Qiao Shi take part in the work of the Central Military Commission's leading body in his capacity as a member of the Political Bureau's Standing Committee, and for him to be in charge of the armed police force and the PLA's secret service troops. This proposal indicates the CPC's intention to bolster the integration of the Army, police, and secret service so that the three can play a coordinated role in dealing with external and particularly internal affairs.

Chi Haotian Proposes 120 Percent Increase in Military Budget

At the meeting, Chief of General Staff Chi Haotian asked that the military budget be increased by 120 percent [figure as published], citing the need for all major military regions and military districts to expand and build

military academies to upgrade modern technology and education levels in the three branches. It was learned that the country now has 85 military academies and schools with a student population of 180,000. Furthermore, there are 30 public security and armed police schools with a student population of 220,000. Nine of these schools have been built since 1990.

But Yang Shangkun revealed that the military budget would be raised by a maximum of 19 percent and that remaining expenditures would be covered by savings generated from annual troop reductions of 200,000 to 250,000 men.

Opposition to Reduction of Troops by 800,000

In fact, the troop reduction mentioned by Yang Shangkun would be more difficult to secure than a higher military budget.

How did troop reduction become a problem?

Two important decisions were made at the CMC conference in early December last year: 800,000 men were to be cut in four stages in the three years from 1992 to 1994; some 100,000 cadres above regiment level outside the Army structure or over retirement age would be demobilized and transferred to the localities. After the circular was distributed, it elicited strong reactions from various military regions. Apart from Guangzhou and Chengdu Military Regions, Shenyang, Lanzhou, Jinan, and Nanjing Military Regions all voiced opposition. The Beijing Military Region only expressed its support in late December after much work by Yang Shangkun.

It has been learned that this disarmament is in line with plans, targets, and measures first proposed at the CMC conference to modernize the Army: an initial modernization of the three branches from 1992 to 1996; fundamental modernization by 1998; and basic advanced modernization by 2001. However, given the current total of 3.4 million military personnel in the three branches, preliminary modernization within five years' time would require a 150 percent increase in the military budget. This is unrealistic from the point of the financial burden. According to military sources, training for each of Army member costs 3,000 to 4,000 yuan annually; naval personnel cost 6,000 to 10,000 yuan; air force fighter pilots cost 20,000 to 60,000 yuan; and missile unit operators cost 8,000 to 12,000 yuan. Army troop reductions will necessarily involve a reduction in the number of military officers above regiment level which is already more than 300 percent over the organization quota of the three branches. This will then affect the organization and influence of the different military districts and sub-districts.

Demobilization of 100,000 Military Officers at Regiment Level Becomes Thorny Issue

Because this resolution involves the status of a large number of military officers above the regiment level and because local enterprises have explicitly indicated their

unwillingness to take on demobilized Army personnel, these 100,000 military officers are quite anxious about their future. It was reported that a very large number among them have refused to leave and have even laid down conditions for negotiations with their superiors. Some 600 cadres at the division level in the three big military regions of Nanjing, Jinan, and Guangzhou have already reached retirement age, but insist on remaining in the Army. The reason is simple: post-retirement conditions are not as good as those in the Army. Even Yang Shangkun has conceded that this is a very complicated arrangement. Lack of morale within the Army creates enormous pressures in each military region. This is the biggest problem with the disarmament issue. Deng Xiaoping favors disarmament. He told persons in charge of the Shenyang Military Region: "It is necessary to look after the overall situation and that the Army should unconditionally abide by orders and decisions. At present, the Army is still too big. It has to develop and reform in the direction of proficiency, sophistication, and high tech. Army reform should be introduced in all branches and all military regions, while efforts should be made to be mentally and physically prepared in case modern warfare breaks out."

During his meeting with persons in charge of the North Sea Fleet and the three Army branches in Dalian, Deng Xiaoping said: "An important feature of the Army's reform is the development of sophisticated and advanced naval vessels and aircraft as well as the accelerated training of middle-level military personnel in this area."

Yang Shangkun Goes Exclusively to Lanzhou To Carry Out "Ideological Work"

On the eve of the Lunar New Year, Yang Shangkun also went exclusively to Lanzhou to carry out "ideological work" within the Army. Speaking to cadres above the division level in the Lanzhou Military Region, Yang Shangkun said: "The Army has to implement reform, speed up the pace of its modernization, and upgrade its ability to wage war. It should deal with and fulfill the three major tasks and emergency incidents which confront it, deal with sudden adventurist military aggression launched by hegemonists as well as with political riots and rebellions carried out by domestic and foreign antisocialist forces through the instigation of the hegemonists. It should be prepared to fulfill the mission of unifying the country's territory at all times and should smash attempts by foreign political conspiratorial cliques and pro-Taiwan independence forces in Taiwan to achieve Taiwan independence or a one China, one Taiwan scenario."

Deng's Directive: The Army Should Adapt to Reform

At the meeting, Yang Shangkun also conveyed two directives from Deng Xiaoping: 1) The entire Army should carry out reform consistent with developments in the domestic and foreign situations under the leadership of the CMC headed by Jiang Zemin. (2) Army cadres

above the regiment and division-level should learn to operate modern equipment and master the theories and skills of modern war strategies and tactics on which they will be subjected to regular examinations.

It has been learned that despite the tremendous efforts exerted by Deng and Yang in explaining and persuading about the troop reduction issue, the question is not likely to be resolved smoothly owing to obstruction by conservative forces in the Army.

Conference Shows Deng Xiaoping Has Military Support

The CMC's "25 January" Yuanlin conference may be seen as the outcome of contention and compromise between two forces within the party. On the external and internal functions of the Army, the Chen Yun faction and the Deng Xiaoping faction may share a closer understanding, however, their differences are wider on questions like the modernization of the Army and the Army's role in the current "central task" endeavors. It is maintained by some people that, through this conference, Deng Xiaoping wanted to explicitly show that his reform line enjoys strong support within the Army, a demonstration which will be of immense significance in his efforts to shake off the harassment from party conservatives since 4 June and regain real authority.

Economic & Agricultural

1991 Statistical Bureau Communique Released

OW2902030092 Beijing XINHUA Domestic Service
in Chinese 0650 GMT 28 Feb 92

["Statistical Communique of the State Statistical Bureau of the People's Republic of China on National Economic and Social Development in 1991"—XINHUA headline]

[Text] Beijing, 28 Feb (XINHUA)—In 1991, people of all nationalities in China resolutely implemented the policy on improving the economic environment, rectifying the economic order, and deepening reform, scoring marked success in this regard. The overall economic situation improved markedly, the economy expanded steadily, inflation was effectively brought under control, reform and opening to the outside world made a fairly big stride forward, the balance of payments improved further, and the life of the people was better. Science and technology, education, culture, public health, and sports developed rapidly; efforts to build spiritual civilization made new headway; the main tasks for improving the economic environment and rectifying the economic order were basically completed; and society was stable. All these provided a good start for accomplishing the Eighth Five-Year Plan. Preliminary statistics indicated that the GNP in 1991 was 1,958 billion yuan, up 7 percent, of which the tertiary industry accounted for 533.1 billion yuan, up 5.3 percent. The main problems

with regard to economic activities were the slow progress in restructuring, low economic efficiency, and serious financial difficulties. During the new year, the task of consolidating and developing upon the success of economic rectification and deepening the reform still remains quite formidable.

1. Agriculture

In 1991, some parts of China suffered severe natural disasters but after concerted efforts by the whole country to fight the natural calamities and provide relief, China still managed to reap a fairly good harvest in agricultural production. The gross value of agricultural output for the whole year was 800.8 billion, up 3 percent from a year ago. Of the total, crop cultivation grew by 0.9 percent, forestry 7.8 percent, animal husbandry 6.1 percent, sideline production 1.8 percent, and fishery 6.7 percent.

In the output of major agricultural products, grain dropped slightly but it was still the second highest in history. Cotton output rose sharply while that of oil-bearing crops, sugar crops and tobacco set new records. Vegetables and fruits also reaped bumper harvest. However, the circulation structure for agricultural products was still imperfect, and the problem of instability in agricultural development still existed.

The outputs of major agricultural products are as follows:

	1991 (tons)	Increase over 1990 (percentage)
grain	435,240,000	-2.5
cotton	5,663,000	25.6
oil bearing crops	16,383,000	1.6
of which rapeseed	7,436,000	6.9
sugar cane	66,303,000	15.1
sugar beet	16,327,000	12.4
jute, ambarry hemp	508,000	-30.0
cured tobacco	2,698,000	19.4
silkworm cocoons	534,000	no change
tea	546,000	1.1
fruits	21,584,000	15.2

Afforestation and greening work scored marked success. In 1991, 82.6 million mu of forest were planted, up 5.8 percent from the previous year. Efforts to build the forest belt system were intensified. The "State Afforestation Project" to plant fast-growing and high-yielding forests was unfolded on all fronts. The acreage under forest increased, and the amount of timber reserve rose, fulfilling the objective in which the growth rate of forestry resources is higher than that of consumption.

Animal husbandry continued to develop, and the output of meat, poultry, eggs, and milk continued to rise.

The outputs of major animal products and numbers of livestock slaughtered and in stock are as follows:

	1991	Increase over 1990 (percentage)
pork, beef & mutton	27,122,000 tons	7.9
cow milk	4,626,000 tons	11.3
sheep wool	241,000 tons	0.4
pigs slaughtered	327,000,000head	5.4
pigs in stock (yearend figure)	372,000,000head	2.7
sheep in stock (yearend figure)	206,000,000head	-2.1
large animals in stock (yearend figure)	132,000,000head	1.1

The production of aquatic products continued to rise. The total output of aquatic products for the whole year was 13.39 million tons, up 8.3 percent from a year ago. Of the total, freshwater products rose 4.8 percent, and seawater products 10.9 percent.

The conditions for agricultural production improved. In 1991, the aggregate power of farm machinery nationwide was 293 million kilowatts, up 1.9 percent from a year ago. The number of large and medium-sized tractors was 788,000, down 3.1 percent, while that of small and hand tractors were 7.293 million, up 4.5 percent. The number of heavy trucks was 626,000, up 0.3 percent, and the power capacity of machinery for irrigation and drainage was 73 million kilowatts, up 2.1 percent. The total amount of fertilizers (equivalent 100 percent pure content) used in the whole year was 28.56 million tons, up 10.3 percent, and the rural consumption of electricity was 93.97 billion kilowatt-hours, up 10.3 percent. Irrigation and water conservancy facilities were further reinforced.

The rural economy continued to expand. In 1991, the total output value of rural society was 1,893.1 billion yuan, up 11 percent from a year ago. Rural enterprises kept developing steadily, and the output value of rural industries, construction and transportation industries, commerce and catering trade grew by 20 percent, making up 57.7 percent of total output value of rural society and up from 53.9 percent a year ago.

2. Industry

Industrial production expanded quite rapidly. In 1991, the gross industrial output value was 2,822.5 billion yuan, up 14.2 percent over 1990. Of the total, the industrial output value of townships and above totaled 2,312.1 billion yuan, up 12.9 percent. Of the total industrial output value, that of state-owned industries grew by 8.4 percent, and state-owned industries accounted for 43.1 percent of the increase in the gross industrial output value in 1991, up from 37.8 percent in 1990. The industrial output value of collective industries rose 18 percent, and that of individual-owned industries rose 24 percent. The industrial output value of Sino-foreign joint ventures, Sino-foreign contractual joint ventures, and solely foreign-owned enterprises rose 55.8 percent. Production at large and medium-sized enterprises was beginning to overcome the state of stagnation of the past two years, and rose 9.2 percent.

The output value of light industry in 1991 was 1,379.6 billion yuan, up 14.5 percent. Among the major products in light industry, the output of salable products continued to expand steadily, while that of oversupplied products was brought under control. The output value of heavy industry was 1,442.9 billion yuan, up 13.9 percent. Among the major products of heavy industry, the production of electrical and mechanical products used for investment purposes grew quite fast, and the production of key raw materials and energy was generally stable.

The outputs of major industrial products are as follows:

	1991	Increase over 1990 (percentage)
synthetic fibers	1.86 million tons	12.4
yarn	4.50 million tons	-2.7
cloth	17.50 billion meters	-7.3
wool fabric	0.30 billion meters	1.7
machine-made paper and cardboard	14.30 million tons	4.2
sugar	6.31 million tons	8.4
salt	23.53 million tons	16.3
cigarettes	31.99 million cases	-3.0
detergents	1.43 million tons	-5.7
aluminium ware	80,000 tons	2.2
bicycles	36.27 million units	15.4
television sets	26.22 million units	-2.3
of which color sets	11.94 million units	15.6
tape recorders	29.35 million units	-2.9

	1991	increase over 1990 (percentage)
cameras	4.73 million units	120.0
washing machines	6.83 million units	3.1
refrigerators	4.76 million units	2.8
total energy output (standard fuel equivalent)	1.047 billion tons	0.8
coal	1.09 billion tons	0.9
crude oil	139.00 million tons	0.9
electricity	675.00 billion kwh	8.7
of which hydroelectricity	123.50 billion kwh	-2.5
steel	70.57 million tons	6.4
rolled steel	55.47 million tons	7.6
10 nonferrous metals	2.52 million tons	5.5
cement	248.00 million tons	18.3
timber	55.00 million cubic meters	-1.3
sulphuric acid	13.14 million tons	9.8
soda ash	3.89 million tons	2.4
fertilizers	19.88 million tons	5.8
pesticides	0.25 million tons	9.7
power generation equipment	11.29 million kilowatts	-7.9
machine tools	150,800 units	12.1
motor vehicles	713,000 units	38.7
tractors	52,700 units	33.8
locomotives	706 units	7.8
merchant shipping	1.54 million tons	9.4

Activities for the "year of quality, variety, and efficiency" reaped initial success, and the slide in economic efficiency was basically checked. In 1991, overall productivity of labor rose 6.2 percent over the previous year, and the profits and tax generated by state industrial enterprises within the budget totaled 142 billion yuan, up 8 percent, of which the profits realized fell 14.2 percent. The turnover time of quota circulating fund was 124 days, 6 days less than a year ago. However, the problem of low economic efficiency remained prominent, and the profits and tax generated by every 100 yuan of capital was 13.28, down 0.52 yuan from a year ago. Cost overruns continued, losses kept soaring, and adjustment of the industrial structure remained slow.

3. Investment in Fixed Assets and Construction

Investment in fixed assets rebounded notably. The completed investment in fixed assets of the country for the whole year was 527.9 billion yuan, an increase of 82.9 billion yuan or 18.6 percent over the previous year. Of this, the investment of publicly-owned units was 355.8 billion yuan, up 21.9 percent; that of collective units was 62.9 billion yuan, up 18.7 percent, and individual investment was 109.2 billion yuan, up 9.0 percent. There was a very rapid increase in the construction of large-scale and new projects. There were 74,500 capital construction projects and technical updating and transformation

projects under construction by publicly-owned units in the whole year, an increase of 18,000 projects over the previous year.

In 1991, of the investment of publicly-owned units, 207.5 billion yuan (including the purchase of motor vehicles and ships) was invested in capital construction projects, an increase of 21.8 percent over the previous year; 99.7 billion yuan was invested in technical updating and transformation projects, up 21.1 percent; 24.3 billion yuan was invested in construction of commercial buildings, up 31.1 percent; and 24.3 billion yuan was invested in others, up 22.2 percent.

The investment structure was further adjusted. Of the investment of publicly-owned units, investment in the raw material industry was 53.3 billion yuan, an increase of 24.0 percent over the previous year, and its share in total investment rose from 15.7 percent in the previous year to 16.1 percent; investment in the transportation, posts, and telecommunications industry was 46.8 billion yuan, up 40.1 percent, and its share in total investment rose from 12.2 percent to 14.1 percent; investment in agriculture, forestry, and water conservancy projects was 10.1 billion yuan, up 31.2 percent, and its share in total investment rose from 2.8 percent to 3.1 percent; and investment in the energy industry was 94.29 billion yuan, up 14.4 percent; however, its share in total investment dropped from 31.1 percent to 28.4 percent.

Of the investment in technical updating and transformation projects, 29.8 billion yuan was invested in energy conservation, for increasing the variety of designs and colors, for upgrading product quality, and for treating "three wastes," an increase of 32.8 percent over the previous year, and its share in total investment rose from 27.1 percent of the previous year to 29.9 percent. An amount of 32.8 billion yuan was used in the investment to increase output, up 12.5 percent, and its share in total investment dropped from 35.2 percent to 32.9 percent.

The construction of key projects made fairly rapid progress with a number of projects completed and put into operation. During the year, 44 billion yuan was invested in 182 key projects earmarked by the state for completion within a reasonable construction timeframe, which overfulfilled the annual plan. A total of 100 large and medium-sized capital construction projects and 155 large and medium-sized unit projects were completed, and 115 above-norm projects were transformed. During the year, newly increased production capacity of the country generated through capital construction projects includes: 27.14 million tons of coal; 11.84 million kw of power generated, exceeding 10 million kw for three consecutive years; 14.91 million tons of oil; 1.1 billion cubic meters of natural gas (including capacity generated through technical updating projects and investment in other types of projects); 3.96 million tons of steel; 3.76 million tons of iron; 600,000 tons of soda ash; 960,000 tons of chemical fertilizers; 212,000 cubic meters of timber; 2.92 million tons of cement; 309 km of double-track railways; 849 km of electrified railways; and 6.09 million tons of cargo-handling capacity of coastal harbors.

The output of the construction industry rebounded. In 1991, the total output value of completed construction by publicly-owned construction enterprises was 103 billion yuan, an increase of 1.5 percent over the previous year; the total floor space of buildings under construction was 90 million square meters, up 26.4 percent; and the overall labor productivity per person was 16,070 yuan, up 2.1 percent. However, there was still no marked improvement in economic efficiency, and the number of unprofitable enterprises and the amount of losses was fairly large.

In geological survey and exploration, 231 mineral deposits were discovered. Major progress was made in the survey of 138 mineral areas with the number of verified reserves for 50 kinds of minerals increasing. Survey and exploration of oil and natural gas made encouraging progress in Shaanxi, Xinjiang, and Nanhai Sea waters. Work in hydrography, engineering geology, and environmental geology continue to play an important role in national economic construction.

4. Transport, Post, and Telecommunications

Overall production in communications and transportation departments increased. Transportation of key commodities was completed fairly smoothly. However, construction of communications and transportation facilities could not satisfy the needs of economic and social development.

The volume of transportation by various means was as follows:

	1991 (billion)	Increase over 1990 (percentage)
volume of freight transport	2,800.7 ton-km	6.9
railway	1,097.2 ton-km	3.3
highway	339.8 ton-km	1.2
waterway	1,300.0 ton-km	12.1
of which oceanic transport	885.4 ton-km	10.3
airway	1.0 ton-km	24.4
pipeline	62.7 ton-km	unchanged
volume of passenger departures	607.7 passenger-km	8.0
railway	282.7	8.2
highway	277.8	6.0
waterway	17.1	3.6
airway	30.1	30.4
cargo handled at major coastal harbors	5,060.6 ton	9.4

Transport revenues increased. The total annual revenue from transportation by various means rose 8.4 percent over 1990. However, local highway and waterway enterprises increased their losses, and poor economic efficiency still exists.

Fairly rapid progress was made in the post and telecommunications service, with business transactions in 1991 totaling 20.62 billion yuan, up 32.5 percent over 1990. Business transactions in postal services—including special express delivery and stamp-collection—increased more than 64 percent over the previous year. Transactions in post and telecommunications services such as wireless pagers and mobile phones more than doubled that of 1990. The number of international telecommunications, or telecommunications to or from Hong Kong and Macao, increased considerably. The number of cities and counties across the country with long-distance automatic telephone exchanges was 1,046, up 17 percent over 1990. The total number of automatic telephone exchanges in cities was 10.08 million units, accounting for 97 percent of the total number of telephone exchanges in various cities. Out of this total, the computerized telephone exchange capacity was 5.609 million units, up 55 percent over the previous year.

5. Domestic Trade, Supply, and Marketing of Materials

Domestic markets grew steadily. The total value of retail sales was 939.8 billion yuan, up 13.2 percent over 1990—or 10 percent after deducting price increases. Retail sales of consumer goods totaled 822.7 billion yuan, up 13.5 percent; of this, 87.9 billion yuan worth of commodities was sold to institutions, up 18.6 percent. Retail sales of the means of agricultural production were 117.1 billion yuan, up 11.5 percent.

In 1991 retail sales in cities rose by 16.1 percent to reach 451.1 billion yuan; sales in the rural market totaled 371.2 billion yuan, up 10.4 percent.

All economic sectors saw an increase in retail sales. Sales of state-owned retail units rose by 13.9 percent over the preceding year; sales of collective retail units rose by 7.6 percent, of which supply and marketing cooperatives increased by 6.7 percent; sales of joint-ownership retail units rose by 23.8 percent; and sales of individual retail units rose by 18.1 percent. Sales by farmers to non-farming residents increased by 18.8 percent. In terms of different categories of commodities, sales of food items saw a stable increase. Compared with 1990, sales of grain were up 10 percent; sales of edible vegetable oil, pork, and eggs increased between 0.9 and 4.7 percent. Among clothing items, sales of cotton cloth and knitted underwear dropped by more than 10 percent, while clothes of various types increased by 7.1 percent. Sales of durable consumer goods saw increases of varying degrees, except for a drop in tape recorders and a standstill in electric fans; color television sets, washing machines, and refrigerators rose between 2.6 to 9.1 percent.

The economic efficiency of commercial enterprises was somewhat improved. The deficit of state-owned commercial enterprises under the Commerce Ministry was 73 million yuan, down 84 million yuan from the preceding year; the profit of supply and marketing cooperatives increased by 270 million yuan to reach 1.53 billion yuan; total losses by unprofitable enterprises decreased from 27.9 percent in the previous year to 25.7 percent in 1991.

The market for the means of production was invigorated. In 1991 the purchase of means of production by material supply and marketing departments throughout the country totaled 289.1 billion yuan, an increase of 25.3 percent; their total sales amounted to 312.9 billion yuan, up 24.5 percent.

New strides were taken in price reform. Since the beginning of 1991, the state has intensified restructuring of the pricing system by systematically raising the prices of crude oil, finished oil products, rolled steel, pig iron, and other primary products; of railway freight transport; and of grain and edible oil rations for urban residents. However, the general level of market prices basically remained stable. The general retail price level for the entire year indicated a 2.9 percent rise over 1990. General costs of living for urban and rural residents (including consumer goods for daily use and service items) rose by 3.4 percent over 1990; of this, the increase was 5.1 percent in cities and 2.3 percent in rural areas. The main problem was reflected in the relatively large price increase in large and medium-sized cities. The cost of living for workers in 35 large and medium-sized cities increased by 8 percent over the previous year.

The changes in commodities and service prices were as follows:

	percentage price increase in 1991 over 1990	urban increase in Dec 1991 over Dec 1990
costs of living	3.4	6.3
1. food	3.3	8.2
grain	8.6	35.0
meat, poultry, and eggs	-2.3	-1.0
of which: pork	-1.4	4.1
fresh vegetables	6.1	4.6
aquatic products	1.5	4.3
tobacco, alcohol and tea	0.8	4.5
pastry and cakes	6.3	5.7
2. clothing	4.1	4.2
3. article for daily use	1.5	1.7
4. medicine and medical goods	3.4	6.2
5. fuels	15.6	12.3
6. means of agricultural pro- duction	2.9	3.6
7. services	8.7	9.5

6. Foreign Economic Trade and Tourism

Both imports and exports grew. According to customs statistics, the value of exports was \$71.9 billion, up 15.8 percent; of this, exports of foreign-funded enterprises amounted to \$12.05 billion, an increase of 54.2 percent. The value of imports was \$63.8 billion, up 19.5 percent. If import and export transactions involving no payment in foreign exchange were excluded, the surplus of trade was \$12.45 billion. Implementation of the system of full financial responsibility in foreign trade helped readjust the export product mix and increased economic returns. China's capacity for payments to foreign countries continued to improve.

There was a steady increase in the utilization of foreign capital. In 1991 China signed new agreements for the utilization of foreign capital worth \$17.8 billion, an increase of 47.6 percent over 1990; foreign capital actually utilized during the year was \$11.3 billion, up 9.6 percent. Of these, agreements utilizing foreign capital in the form of direct investment were \$11.1 billion, and foreign capital actually invested was \$4 billion, up 67.6 and 13.8 percent respectively over 1990.

Along with the improvement in the investment environment and the expansion of open areas, foreign-funded enterprises also increased. As of the end of 1991, there were 37,215 registered foreign-funded enterprises in China, with a total of \$46 billion in registered capital and \$26.2 billion in foreign investment.

There was new progress in economic and technical cooperation with foreign countries. Construction projects and labor service contracted with foreign countries by China during 1991 totaled \$3.2 billion, an increase of 23 percent over 1990; the accomplished operation revenue reached \$2 billion, up 7 percent.

International tourism developed rapidly. China received 33.36 million international tourists for sightseeing, visits, or other activities, 21.5 percent more than the previous year. Foreign exchange income from tourism was \$2.84 billion, up 28.3 percent.

7. Science and Technology

New successes were scored in science and technology. In 1991 China achieved 23,000 scientific and technical results at and above provincial and departmental levels. The state approved 958 awards—including 53 natural science awards, 209 invention awards, and 502 awards—for progress in science and technology. A total of 50,040 domestic and foreign patent applications were received, and 24,616 were approved—up 20.7 and 9.0 percent respectively over 1990.

Major scientific and technical results achieved during the year were as follows: The Qinshan Nuclear Power Plant, a symbol of breakthrough in China's peaceful use of nuclear energy, was completed and put into operation; the Hefei experimental stations for synchronous radioactive accelerators and optical beams passed acceptance tests, with performance figures for the five synchronous radioactive optical beams reaching international standards; notable results were obtained from Shendan No. 7, a high-yield multiple-resistant crossbred corn strain; the B-type hepatitis genetic vaccine filled a void within the country; the KM-4 solar simulator was successfully developed, with the major technical indices catching up with advanced levels of the same-type equipment abroad; and the computerized system for customs declaration reached advanced international levels.

Expenditure in science and technology increased. In 1991 research institutions, schools of higher learning, and large and medium-sized enterprises throughout the country spent a total of 40.9 billion yuan on science and technology. Of this, 14.2 billion yuan—or 0.27 percent of the GNP—was earmarked for research and development.

Scientific and technical personnel grew in number. By the end of 1991 state-owned enterprises and institutions had 24.128 million professionals and technicians of various categories, an increase of 5.6 percent over the end of 1990. There were 5,466 state-owned independent research and development institutions above county level, 2,450 institutions run by schools of higher learning, and 9,525 institutions run by large and medium enterprises throughout the country—with 2,302,000 scientific and technical personnel, including 1,491,000 scientists and engineers.

Remarkable results were scored in various scientific and technological programs initiated by the state. In 1991 145 feasibility reports were approved for key projects incorporated in the state's Eighth Five-Year Plan, which was designed to tackle key scientific and technological problems; 2,245 special-task contracts were signed; and 650 million yuan was appropriated by the state. Gratifying results were achieved in the successful operation of the 5-trillion watt low-temperature nuclear heat reactor

[wu zhao wa di wen he gong re dui shi xian re dian lian gong 0063 0340 3907 0144 3306 2702 0180 3583 1018 1395 3807 3583 7193 5114 0180] and in the development of the technology for joint casting and rolling of medium-width sheet bar [zhong kuan du bo ban pi lian zhu lian zha ji shu 0022 1401 1653 5631 2647 0999 6647 6999 6647 6509 2111 2611]. A total of 1,224 research tasks incorporated in high-tech research and development programs were approved, and 392 million yuan was appropriated by the state. The National Natural Science Foundation provided 170 million yuan to support 3,495 scientific research projects, up 25.3 percent and 0.49 percent respectively over the previous year. New progress was made in building key national laboratories, with 16 added in 1991. A total of 301 state-class projects were initiated for the "Torch Program," and 1.3 billion yuan was invested throughout the year. By the end of 1991 there were 27 zones for the development of state-class high and new technology industries. A total of 470 key development projects were supported directly by the state, and 600 million yuan was invested in these projects throughout the year. The number of "Spark Plan" projects increased by 8,200, and 1.35 million managerial and technical personnel were trained.

Enterprises, institutions of higher learning, and scientific research organizations became increasingly integrated. In 1991 6,582 state-owned industrial enterprises incorporated in the state budget carried out exchanges with institutions of higher learning and scientific research organizations in their respective fields. A total of 4,965 scientific and technological results were transferred to enterprises. In addition, 4,864 joint research and development projects were initiated.

State-owned large and medium-sized industrial enterprises across the country organized 45,862 technology development projects with over 10,000 yuan of investment, up 16.3 percent over the previous year. The output value of their new products accounted for nearly 10 percent of the total industrial output value.

In 1991 there were 3,100 product quality supervision and monitoring organizations in various parts of the country, of which 229 were state-level centers, up 3 percent and 7.5 percent respectively over the previous year. For the whole year 1,122 national standards in different categories were established or amended. A total of 1,621 ultra shortwave meteorological warning service system transmitters were built across the country, serving 62,608 consumers, up 62.1 percent and 56.5 percent over the previous year. There were 929 various staffed seismographic stations and 5,224 seismic measuring and reporting outlets, up 6.5 percent and 24.8 percent over the previous year. Some 11.317 million pieces of oceanic data were collected by 971 ocean monitoring and observation stations. Mapping departments surveyed and prepared 32,531 maps of varying scales, and 545 maps were published.

Technology markets developed steadily. Some 207,000 technology contracts were signed, and 9.41 billion yuan

of transactions were made in various parts of the country during the year, up 0.1 percent and 25.4 percent over the previous year.

Mass scientific and technological activities were vigorous. There were 8,300 scientific and technological associations of factories and mines in the country, with 1.84 million members; there were 96,000 specialized technical research societies in the countryside, with 3.07 million members.

8. Education and Culture

The scope of general higher education was basically stable, and the structure of disciplines kept improving. In 1991 enrollment of new graduate students was 30,000, the same as the previous year, and the total number of graduate students was 88,000, down 5.4 percent. Institutions of higher learning took in 620,000 new undergraduate students, up 1.8 percent, and the total number of undergraduate students was 2,044,000, slightly down from the previous year. In 1991 320 departments across the country with excess supply of graduates suspended enrollment. Enrollments in engineering, medicine, and finance and economics rose in proportion.

Secondary vocational and technical education developed steadily. In 1991 there were 6.332 million students (including 1.422 million students in technical workers' training schools) in various types of secondary vocational and technical schools, accounting for 46.7 percent of a total student enrollment of 13.56 million at the senior middle school level.

New progress was made in universal compulsory education. In 1991 there were 39.607 million students in junior middle schools and 121.64 million pupils in primary schools across the country. The enrollment rate of children—of school ages 7 to 11 years—in primary schools was 97.9 percent; 77.7 percent of primary school graduates continued their studies in middle schools, up 3.2 percent from the previous year. Dropout rates at ordinary junior middle schools and primary schools declined by 5.38 percent and 2.35 percent respectively, reaching the lowest levels since the founding of New China. School facilities continued to improve.

Progress was made in the restructuring of formal adult education, and various in-service training programs developed vigorously. In 1991 adult institutions of higher learning took in 447,000 new students for regular and special courses, bringing total student enrollment to 1.403 million, down 15.8 percent from the previous year. There were 1.68 million students in adult secondary specialized schools, up 5.8 percent from the previous year; 31.657 million in adult technical training schools, a 1.5-fold increase; and 8.536 million in adult junior middle and primary schools. A total of 5.483 million people became literate during the year.

By the end of 1991 there were 2,774 performing art troupes, 2,977 cultural centers, 2,536 public libraries, 1,097 museums, 3,579 archives, 724 radio stations, 703

medium and short-wave radio transmitting and relaying stations, 541 television stations, 974 television transmitting and relaying stations with capacities of 1 kilowatts or more, and 141,000 assorted film projection units across the country. The year 1991 saw the production of 130 feature films as well as the release of 189.5 various new feature-length movies. Sixteen movies (movie categories) were awarded at international film festivals. Publication volume throughout the year for national and provincial newspapers, various types of magazines, and books totaled 17.51 billion copies, 2.08 billion copies, and 6.2 billion copies (pamphlets) respectively.

9. Public Health and Sports

Public health programs continued to develop, resulting in further improvement of health care services. By the end of 1991 there were 2.689 million hospital beds throughout the country, up 2.5 percent from the previous year; there were 3.985 million full-time health workers, up 2.2 percent from the previous year. Of these, 1.78 million were medical doctors (including 1.311 million practitioners of traditional Chinese and Western medicine) and 1.012 million senior and junior nurses, up 0.9 percent and 3.8 percent respectively from the previous year.

Remarkable achievements were scored in sports. The country won 182 medals at major international athletic meets during the year. Eighty six athletes captured a record 93 world championships. Twenty five athletes and one athletic team set 31 world records on 50 occasions, and 34 athletes and nine athletic teams broke 49 Asian records on 64 occasions. A total of 123 athletes and 30 athletic teams set 127 national records on 212 occasions. Mass sports programs developed expeditiously. Close to 70 percent of schools implemented "National Standards for Physical Exercises," which were attained by 80 percent of the students.

10. Standard of Living

People's incomes increased. The per capita cash income of urban residents that could be used for living expenses was 1,570 yuan in 1991, up 13.2 percent over the previous year, or a real growth of 7.7 percent if price increases are excluded. The per capita net income of farmers was 710 yuan, up 3.5 percent, or a real growth of 2 percent if commodity price increases are excluded.

Employment kept increasing in urban areas. Some 4.3 million people were given jobs in cities and towns in 1991. By the end of the year, staff and workers in China numbered 143.97 million, or 3.38 million persons more than at the end of 1990. Of this total, the number of workers employed on a contract basis by state-owned units was 15.35 million, or 1.63 million more than the previous year. There were 7.04 million individual workers in urban areas, 330,000 persons more than at the end of 1990.

The total wage bill for staff and workers in 1991 was 335 billion yuan, up 13.5 percent over the previous year; the

per capita monetary wage of urban employees was 2,365 yuan, a real increase of 5.1 percent if price hikes are excluded.

Savings deposits achieved large gains in both urban and rural areas. By the end of 1991 the value of savings deposits by residents totalled 911 billion yuan, 207.6 billion yuan—or 29.5 percent—more than at the end of 1990.

Urban and rural living conditions further improved. A total of 110 million square meters of new buildings was completed in urban areas, and 720 million square meters of new housing was built in rural areas in 1991.

Social welfare work continued to develop. In 1991 there were 812,000 beds in social welfare institutions of various types in China, with 634,000 clients. Some 48.69 million people in need in urban areas received relief aid from the state. A social security system was established in 36.3 percent of rural townships. There were 89,000 community service facilities of all types in urban areas.

Rapid progress was made in environment protection. By the end of 1991 there were 71,000 employees in the nation's environmental protection system, 2,199 environment monitoring stations, and 61 state-level nature preserves. A total of 6,574 projects for reducing pollution—with a combined investment of 1.74 billion yuan—were completed during the year. By the end of 1991 2,199 soot control zones—with a combined area of 8,897 square kilometers—were established in 351 cities; 1,098 environment noise zones—with a combined area of 1,803 square kilometers—were established in 216 cities.

Progress was made in the insurance services. The premium for property insurance of various kinds in 1991 totalled 2,801.5 billion yuan, up 20 percent over 1990. Some 508,000 enterprises participated in enterprise property insurance, 100.7 million households participated in household property insurance, and 233.7 million persons in life insurance programs. Insurance companies took 3,378,000 claims for property losses and paid out 7.65 billion yuan. Another 3.35 billion yuan were paid to 11.9 million persons for life insurance.

11. Population

Data collected from a sample survey of changes in the population show that in 1991 the birth rate for China was 19.68 per thousand and the death rate was 6.7 per thousand, resulting in a natural growth rate of 12.98 per thousand. The total population was 1.15823 billion by the end of 1991, or 14.9 million more than at the end of 1990.

Notes:

1. All figures in this communique are preliminary. It includes data of the 30 provinces, autonomous regions, and municipalities on the mainland.

2. Values of gross output quoted in the communique are at current prices, whereas growth rates are at comparable prices.

3. Base periods for the comparison of various indexes are all official statistics of the Statistical Yearbook of China.

4. In the past, the figure of per-capita net income of 630 yuan for farmers was obtained with their own-consumed products calculated at state prices. When own consumption of such products is calculated at contract/state-purchase mixed average prices, the per capita net income of farmers was 686 yuan in 1990.

Improvements in Investment Climate Viewed

OW0503114992 Beijing XINHUA Domestic Service
in Chinese 0237 GMT 5 Mar 92

[By reporter Zhang Yi (1728 3015)]

[Text] Beijing, 5 Mar (XINHUA)—In the early years of China's opening to the outside world, one foreign businessman who came to Guangdong to discuss an investment project was forced to go to Hong Kong to make an international telephone call because he was unable to make it in Guangdong. But, currently, a direct-dial international telephone service is available in more than 500 cities and counties in China. Both the hard and soft investment environment for foreign investment in China have improved markedly.

Attracting direct foreign investment is an important element of China's policy of opening up to the outside world. Since the early 1980's, in order to improve the country's investment climate, the central and local governments have used various forms to invest a large amount of manpower, materials, and financial resources in constructing a large number of airports, sea ports, highways, telecommunications facilities, electric power supply facilities, water supply facilities, and other infrastructural facilities. Facilities that have played a rather important role include Ningbo's Beilun Port; the Shenzhen, Ningbo, and Wenzhou airports; new railway stations in Tianjin, Shanghai, and Shenzhen; the Shenyang-Dalian, Guangzhou-Shenzhen, and Beijing-Tianjin-Tanggu expressways; Xiamen's cross-bay bridge; Shanghai's Nanpu Bridge; Shantou's undersea water supply line; Shenzhen's Shatoujiao Power Plant; Hainan Province's Machun Power Plant; and the Qinshan Nuclear Power Plant. In the postal and telecommunications field, China's long-distance telephone service has basically been automated or semi-automated, and the international telephone service has been automated. In addition, 1,046 cities and counties have been hooked up to the nationwide automated telephone network, and a direct-dial telephone service connected to 195 countries and regions is available in 543 cities and counties. The increasing improvement of these infrastructural facilities has provided basic requirements for foreign businessmen to invest and set up factories in China.

Since 1980, China has established five special economic zones, opened up 14 coastal cities, established 14 economic-technological development zones in coastal cities, and adopted a series of special policies in these areas. As the 1990's began, the state decided to develop Shanghai's Pudong New Area and to expand the Shantou Special Economic Zone. The gradual shaping of this new opening pattern has provided foreign investors with a new investment space.

While efforts are being made to improve the country's infrastructural facilities, its soft investment environment has also been improved. The "Law Governing Sino-Foreign Jointly-Invested Enterprises," the "Law on Economic Contracts Involving Foreign Partners," and many other economic laws and regulations have been promulgated and implemented. In addition, China has signed investment protection agreements and agreements on avoiding double taxation with more than 30 countries, providing a legal foundation and protection for foreign investment, and enhancing foreign investor's confidence in investing in China.

As reform of China's economic system deepens, the country's market system has continued to develop. The establishment and development of the market of means of production, the financial market, the specialized and trained personnel market, and the foreign exchange market have provided the requirements for foreign investors to invest and do business in China according to international practice. In the last few years, more than 90 foreign exchange regulation centers have been established across the country, and the amount of foreign exchange regulated has exceeded \$17 billion. Foreign investors who used to worry a few years ago about how to balance their foreign exchange no longer have to worry about it. Moreover, changing of the double-track pricing system for some important means of production to a single pricing system and the ensuing market of means of production have paved the way for foreign investors to solve problems concerning the domestic supply of raw and processed materials.

Following China's promulgation and implementation of the "Trademark Law" in 1982, the country has promulgated and implemented the "Patent Law", the "Copyright Law", and the "Regulations on the Application of Computer Software"; has become a member of the World Intellectual Property Organization; and has acceded to the Paris Treaty for protecting industrial property, making progress in the legislation of laws for protecting intellectual property rights that has drawn world attention. To protect intellectual property rights better, courts for handling disputes over intellectual property rights have been set up in the people's courts. Infringement of the rights of property owners may also be settled by the country's patent bureaus or trademark bureaus. The cases involving infringement of the trademarks of U.S. IBM Corporation and M&M Chocolate Corporation were satisfactorily settled in China—persons who infringed upon the trademarks were penalized and the infringements were stopped. China's

improvement in the protection of intellectual property rights has provided an assurance for foreign investors' investments in the high- and new technology industry in China. In the last few years, U.S. Dupont Corporation, France's (Daotar), the Nippon Electric Company, Britain's [as received] Shell Company Ltd., and other world-renowned large enterprises have invested in the high- and new-technology industry in China.

Improvements in China's investment climate have been noted by many countries and have attracted an increasing number of foreign investors. In the past three years, more than 25,000 foreign-invested enterprises—1.5 times as many as the total of the previous 10 years—have been approved across the country. Both the projected amount of foreign funds in connection with these enterprises and the total amount of foreign funds actually used are nearly the totals of the previous 10 years.

Daily on Guangdong Measures for Further Opening

HK0603085892 Beijing RENMIN RIBAO OVERSEAS EDITION in Chinese 2 Mar 92 p 1

[Dispatch by staff reporter Liang Zhao-ming (4731 0340 2494): "Guangdong Makes Arrangements To Open Up More Boldly to Outside World, Step Up Construction"]

[Text] Guangzhou, 1 Mar [RENMIN RIBAO OVERSEAS EDITION]—In order to speed up the pace of Guangdong's socialist modernization, the Guangdong Provincial CPC Committee and Government recently made a decision on opening more widely to the outside world, demanding cadres in the whole province to further enhance their sense of opening up and to expand the opening process more boldly.

Certain tasks have to be accomplished in opening Guangdong more widely to the outside world, which include such aspects as: Exploring new forms of opening to the outside world; broadening overseas markets; further relaxing restrictions and introducing policies more favorable to opening up; improving the efficiency of examination and approval procedures; strengthening operation of affairs concerning Overseas Chinese and compatriots in Hong Kong, Macao, and Taiwan; speeding the pace in fostering all sorts of qualified personnel who are badly needed in the expansion of the opening up process; and enhancing administration. It is said that plans of opening more widely to the outside world have been drawn up to suit the needs of three different categories of areas in Guangdong Province.

Under the first category of areas are special economic zones, economic and technological development areas, open coastal cities, and new and high technology development areas. These areas, which are Guangdong's "vanguards" and bases of opening to the outside world, are requested to make full and good use of the present policy, fully capitalize on the existing developed areas to upgrade the level of opening, devote great efforts to introducing new and high technology, and augment their

attractiveness and influence. Since these districts function as the window, bridge, and stepping stone in the process of opening and have pervasive influence, various means should be taken by the whole province to fully capitalize on them.

The second category includes the Zhu Jiang Delta as well as certain promising economic zones developed throughout the province. These areas are requested to proceed from their respective advantages and selectively introduce foreign-invested enterprises. The existing labor-intensive-type enterprises, which run the business of processing with supplied material, drawings, and samples, assembling with supplied parts, and compensation trade, should be moved inland, while these areas should speed up their own construction and develop into economic zones with the level of opening and prosperity similar to that of special economic zones.

Classified under the third category are areas adjacent to the Zhu Jiang Delta, including both the eastern side (the four cities in the Chaozhou-Shantou area) and the western side (the three coastal cities in western Guangdong), as well as a vast expanse of mountainous area. These areas are requested to develop a large number of foreign-invested enterprises, as well as enterprises running the business of processing with supplied material, drawings, and samples; assembling with supplied parts; and compensation trade.

Now that Guangdong has been taking positive actions for opening more widely to the outside world, communications and port construction has been launched on a full scale. The Guangzhou-Zhanjiang railway, which is a huge project, runs through the western side, and the construction of the Guangzhou-Shantou railway, which will stretch across the eastern side, has also been accelerated. Economic zones like the western district of Zhuhai, Nansha, in Guangzhou, Daya Bay in Huizhou have been developing on solid grounds. On the other hand, the first batch of foreign-invested enterprises; enterprises processing with supplied material, drawings and samples; assembling with supplied parts; and compensation trade, and enterprises associated with the hinterland have recently been founded in the development areas set up by mountainous Qingyuan City as part of its efforts to fight poverty.

'New Wave' of Reform 'Surging' Over Xiamen SEZ
OW0503134592 Beijing XINHUA Domestic Service
in Chinese 0718 GMT 5 Mar 92

[By reporters Wang Weizhong (3769 3555 0022) and Wu Shishen (0702 1102 3234)]

[Text] Xiamen, 5 Mar (XINHUA)—The Xiamen Special Economic Zone [SEZ], which celebrated its 10th birthday recently, has enhanced its awareness of being the "vanguard", preceding others in opening to the outside world and carrying out early reform efforts. The new wave of a spring tide carrying reform and opening [xin yi lun de gai ge kai fang chun chao 2450 0001 6544

4104 2395 7245 7030 2397 2504 3390] is currently surging over [gun gun yong dong 3340 3340 8637 0520] Ludao.

Over the past 10 years, the Xiamen SEZ has initiated an export-oriented economic structure and tentatively established a new economic operating mechanism through hard and solid work. So far, the Xiamen SEZ has approved a total of more than 1,100 foreign-invested projects; on average, the amount of money in foreign investment contracts and in actual investments tops others in various SEZ's. The total volume of the import and export trade of the Xiamen SEZ ranks fourth among cities with provincial-level economic decisionmaking power in the country, and the industrial output value of the three types of partly or wholly foreign-owned enterprises in the Xiamen SEZ also constitutes "half of the pie." When General Secretary Jiang Zemin inspected the Xiamen SEZ last December, he fully affirmed Xiamen's achievements and expressed the hope that Xiamen and other SEZ's will become our country's "vanguard" in reform and opening to the outside world.

As the Year of the Monkey began, the Xiamen city party committee and the city's government earnestly studied the important speeches of central leading comrades and further enhanced their awareness of being the "vanguard." They also asked leading departments at all levels to persevere in carrying out special and new tasks with special and renewed efforts; to utilize the policies endowed by the central authorities to the SEZ's effectively, flexibly, and fully; to boldly "take one step ahead" of others in reform and opening; and to accumulate experiences for reform and opening in the whole country.

An important measure that is to be carried out by the Xiamen SEZ in deepening the reform and opening wider to the outside world this year, is to continue to improve the SEZ's investment environment and to increase its attractions in opening to the outside world. Xiamen will abide by the principle of being moderately advanced to emphasize efforts to construct 10 types of infrastructure, including efforts to construct the Gaoqi International Airport, projects to expand the Dongdu Harbor, and enlarge the capacity of program-controlled telephone exchanges, and a 600,000-kilowatt thermal power station. Efforts to develop small industrial zones will reach another high; emphasis will be put on effective operation of the "Torch Program" high-technology open industrial zones and the Huli Industrial District; and efforts will also be focused on constructing infrastructure in Xinglin and Hailun investment areas for Taiwan businessmen. At the same time, Xiamen SEZ will also actively improve its "soft" investment environment, establish a highly effective and scientific management system for work concerning investment by foreign businessmen as soon as possible, and build and improve channels and systems to communicate with and contact foreign businessmen.

The surging spring tide of reform and opening has already taken shape in the Xiamen SEZ. Soon after New Year's Day this year, tens of thousands of Chinese and foreign traders converged in Ludao as the first export commodity trade fair of Sino-foreign invested enterprises "opened the door of good luck" for Xiamen; they signed contracts for foreign investment and export trade worth \$150 million. After the Spring Festival, a Xiamen SEZ economic delegation departed for Hong Kong, and nearly 20 tourist and trade groups from countries and regions such as the United States, Japan, and Taiwan arrived by air in Xiamen—the business-promotion activities launched by Xiamen to "invite others in and take a walk outside" was being carried out with pomp. A group of enterprises and export groups with real strength enthusiastically went into action in an attempt to establish an overseas marketing network, unfolded direct oceanic trading activities, and carried out transnational operations to directly compete in international markets.

Ministry To Eradicate 'Imitation, Shoddy' Goods

OW0603104192 Beijing XINHUA Domestic Service
in Chinese 0549 GMT 6 Mar 92

[By reporter Jiang Jun (1203 6511)]

[Text] Beijing, 6 Mar (XINHUA)—At the symposium on boycotting imitation and shoddy products held here on 5 March, Commerce Vice Minister Fu Limin said that the Ministry of Commerce unswervingly supports the "long road to Chinese product quality" campaign, and will take concrete measures to prevent imitation and shoddy products from entering the circulation system.

Fu Limin said: The Ministry of Commerce urges commerce administration departments and commercial enterprises in all localities to fully appreciate and place emphasis on the significance of product quality; they should positively coordinate with the reporting activities of news units without glossing over blemishes or covering up weaknesses; treat press exposure, criticism, and questions appropriately; investigate every case involving the sale of imitation or shoddy products as soon as it is discovered; and draw inferences about other cases from one instance to improve business practice.

According to information, to strengthen supervision and control over product quality, the Ministry of Commerce has set up 37 ministerial level product quality inspection centers throughout the nation since 1987, to carry out supervision and inspection of products in the market place. For three consecutive years since 1989, the Ministry of Commerce has carried out sample checks by buying products over the counter and then publicizing the result of the sample check through press briefing sessions; it was recommended that procurement of products that failed the sample check be stopped, while the procured ones were to be returned in accordance with the terms of contract or disposed of properly.

Fu Limin said: The Ministry of Commerce plans to earnestly continue carrying out sample checks of products on the shelves in the market place; the number of localities and scope of product variety to be sampled will be further augmented; and the frequency of sample checks will be increased from once a year to twice a year. We must promote sales practices such as product branding, supervision of production, centralized purchasing for retail sales, and sole distributorship among commercial enterprises; they must also foster a closer relationship between production and sales, clearly determine responsibility for product quality, and ensure the quality of products entering the warehouse.

Fu Limin revealed that the Ministry of Commerce will actively create conducive conditions to set up a complaint phone line in commercial departments in all localities, to receive consumers' complaints on product and service quality.

Article Criticizes 'Trick' Feasibility Studies

OW1502214292 Shanghai JIEFANG RIBAO in Chinese
12 Feb 92 p 2

[Article by Wang Yang (3769 5017): "Unfeasibility Studies"]

[Text] An occurrence such as the following reportedly happened recently: A county magistrate hired a group of experts to assess the feasibility of a project he wanted to launch. After spending approximately three months collecting data and conducting field surveys, the experts concluded that the project was unfeasible. Upon hearing the findings, the magistrate flew into a rage and berated the experts to their face, saying: I asked you to conduct a feasibility study. Nobody asked you to do an unfeasibility study.

Episodes like this are not uncommon. A few years ago, "feasibility studies" were invariably conducted before projects were launched freely as a result of an overheated economy. Some of the projects were launched at a time when the market was depressed, while others started losing money once they went into operation. A review of relevant "feasibility studies" reveals that almost all of these studies argue eloquently in favor of the projects and contain seemingly unassailable findings. Failing to draw a lesson from their previously wrong strategies, some comrades continue to make policy willfully and demand "prudent verification" from experts.

So-called feasibility studies are designed to determine whether the goal of a policy is scientific and to select the best scheme from among many others to realize that goal. The purpose of conducting such studies is to determine whether investment in a certain project can generate maximum economic benefits. Feasibility studies constitute the crucial stage of the entire scientific policymaking process. In particular, growing competition in the marketplace demands feasibility studies that can enhance mutual understanding among competitors. It underscores the need to stress studies and projections regarding the state of competition. For instance, studies

and projections are needed to determine the major markets for a given product, potential rivals, the competitive edge and prospects of such rivals, the period of brisk sales for the product after it is put on the market, and the trends of development in domestic and foreign markets. A conclusion about a project's feasibility can only be drawn after these issues are addressed. Obviously, feasibility studies are extremely serious tasks that bear on a policy's success. They brook no slovenliness, much less the practice of conducting so-called "studies" after a conclusion is reached beforehand.

Why, then, would some policymakers be so upset when they were advised that their projects were unfeasible? Apparently, their purpose of conducting a feasibility study was not to make their policymaking process scientific. Rather, they only hoped to gain the approval of higher authorities for their projects and thereby obtain a considerable amount of investment capital. A feasibility study conducted for such a purpose is nothing but a trick to obtain funds from higher authorities. The more a "study" appears well-founded, convincing, and flawless, the more it is likely to induce the authorities to approve the project in question. A feasibility study conducted as part of the scientific policymaking process is far from scientific if it is driven by parochial interests. Last September, General Secretary Jiang Zemin remarked: "A guiding ideology should be clear-cut. Feasibility—not 'approvability'—studies must be conducted before projects are launched." The remark really hits the nail on the head and serves as a warning to people.

We should understand the importance of negative, dissenting opinions. A sound policy is often based on conflicting, not identical, views. At a high-level corporate meeting, Stempel, president of the U.S.-based General Motors Co., once put off a policy decision because of a consensus among the participants. He said: "I hope to hear some dissenting views at the next meeting. That way, perhaps we can gain a real understanding of the policy we are going to make." A policymaker can resist "plausible but flawed" opinions only if he has heard arguments concerning the pros and cons. An affirmative conclusion on a project's feasibility is more reliable if it is founded on extensive reviews and studies of negative opinions. Sometimes a negative opinion on a project's feasibility constitutes an "alternative plan" necessary for the policymaking process. It prevents a lack of choices and affords a policymaker more options for consideration and comparison.

A policymaker must nurture the scientific and democratic style of respecting negative opinions. He may disagree with the opinions of people carrying out the study. However, he cannot force those people to modify their views in an unconscionable way. What is more, he cannot ask them to put together various positive opinions on a project's "feasibility." Conducting the so-called "scientific" studies is worse than failing to conduct them at all. People who carry out such studies should show respect for facts, uphold the truth, accept the test of practice, assume a responsible attitude toward

the people and future generations, and refrain from accommodating the needs of a certain policymaker. Of course, a fundamental way to assure such attitudes is to enact laws to protect policymaking procedures by legal means and to render such procedures increasingly scientific, democratic, and legal.

Commentator's Article on Helping Peasants Prosper

HK0503013092 Beijing RENMIN RIBAO in Chinese
29 Feb 92 p 1

[Commentator's article: "Widen Road to Prosperity, Make Efforts To Increase Output and Income"]

[Text] The Eighth Plenary Session of the 13th CPC Central Committee pointed out: On the foundation of developing the rural economy in an all-around way, enabling the peasants to increase their living standard from solving the problems of food and clothing to a well-off standard is the general target of agriculture and rural work in the 1990's. To achieve this target, it is necessary to attach great importance to the issue of the peasants' income.

The level of the peasants' income is the barometer of rural economic life as well as an important hallmark of the degree of rural economic development. Peasants' consumer demands and their purchasing power directly affect the development of industry and even the national economy as a whole. Making the peasants' income gradually increase on the foundation of the development of production should be a basic principle to be followed by rural work.

Since reform and opening up, the level of the peasants' income of our country has been enhanced very greatly, the rural economy has developed vigorously, the rural market has been constantly expanded, and the peasants' demand for industrial products has greatly increased, thus pushing forward the rapid development of the national economy as a whole. Nevertheless, in the last few years, for various reasons, the increase in the peasants' income has slowed down. An abnormal phenomenon of a big increase in output but a small increase in income, or even an increase in output but no increase in income has appeared in many places and this affects the enhancement of the peasants' purchasing power. Only when the rural market is brisk and the market throughout the country is flourishing can a benign cycle of industrial production be realized. Under the new historical conditions, how to make the peasants' income increase continuously and steadily and how to increase the peasants' income in every possible way has, therefore, become an important problem all leadership departments must properly solve.

A slowdown of the increase in the peasants' income not only affects some peasants' enthusiasm for production, resulting in a drop in input in peasant household production and difficulties in expanded reproduction, but also gives rise to slack sales in the rural market. Our country has 900 million peasants, who constitute about

80 percent of the total population, and the peasants' income is a major issue in which a slight move may affect the situation as a whole. The contract responsibility system on the household basis with remuneration linked to output makes the household the most fundamental production and operation unit, and also the principal body in agricultural input. With their labor income each year, the peasants must be able to improve their own living conditions to a certain extent, to spend a portion of their funds on the means of production, and to have a certain amount of surplus. Only in this way can we ensure that the peasants' living standard is unremittingly enhanced and that the peasants' living standard changes from solving the problems of food and clothing to a well-off standard. Only thus can accumulation increase, can the input in agriculture be expanded, and can the staying power for the unremitting development of the rural economy be strengthened. Once the peasants have surplus money in their pockets, the difficult problem of setting the rural market in motion can be readily solved.

The fundamental way to keep the peasants' income increasing steadily is to vigorously develop rural commodity economy. On the foundation of gradually straightening out prices, we must develop and improve the marketing system, clear the circulation channels of obstacles, and raise the rate of transformation of agricultural and sideline products into commodities. It is necessary to seize the opportunity of bumper grain harvests in successive years to ensure high yields, superior quality, and high efficiency in agriculture. On the one hand, we must continuously increase output, and on the other, we must improve the grain-planting structure in a planned way, increase the production of products with fine quality and competitive prices, and raise economic results in agriculture. It is essential to establish a new concept of production, to change the traditional concept of selling what is grown, to meet changes in consumer demands, and to organize production flexibly.

As the per capita possession of land resources of our country is comparatively small, the peasants can hardly get rich merely by relying on plant production. It is imperative to encourage the peasants to widen their field of vision; to establish a concept of large-scale agriculture; to rationally develop and utilize resources, including mountains, water, and grass; and to develop all trades, such as forestry, animal husbandry, and fishery. It is necessary to engage in plant production, the breeding trade, and the processing industry and to vigorously increase output value. This not only meets the present urban and rural residents' consumer demands but also increases the peasants' income. It is the only way to transform traditional agriculture into modernized agriculture.

The rural surplus labor of our country has increased by about 10 million people a year in the past few years and it is an important link in increasing the peasants' income to provide these people with jobs. We must, therefore, provide a good external environment for the development of township and town enterprises so as to increase

jobs and income. As rural tertiary industry is vigorously springing up, we must encourage peasants to take up the trades of rural commodity marketing, services, and transportation so that they have more chance of getting rich.

To help peasants increase their income, apart from developing production and making the economy flourish, we must adhere to the principle of "giving more, taking less"; curb the malpractices of indiscriminately imposing charges and unjustified financial levies on peasants; really lighten peasants' burdens; and protect their enthusiasm for production so that they can achieve unremitting accumulation and develop by themselves in an easy economic environment.

The peasants' income has a bearing on the overall situation of the national economy. Leaders and government departments at all levels must attach great importance to it and, in actual work, make efforts to supply the peasants with conditions facilitating increases in their income. Only by allowing the overwhelming majority of peasants to get rich can our great agricultural country really get onto the road to prosperity.

Ministry To Control Growing Rural Labor Surplus

HK0503030092 Beijing CHINA DAILY in English
5 Mar 92 p 1

[By staff reporter Li Hong: "State Seeks Solution to Rural Area Labour Glut"]

[Text] The government is taking steps to control China's growing rural labour surplus, which now exceeds about 100 million, a Ministry of Labour official said yesterday.

This already persistent problem has grown more severe, as the surplus rural labourers flock to cities with few jobs for farmers.

Both labour and agricultural officials warn that the problem may only get worse. Because farming now requires fewer hands, the rural surplus labour force could grow by an annual 10 million in the near future.

This means that by the end of the century, up to 200 million rural labourers will be unemployed if new jobs are not created.

Most of China's big cities are already plagued by seasonal rural workers who crowd railway and bus stations and line the streets waiting for jobs.

Major urban areas such as Beijing, Shanghai and Guangzhou cannot possibly accommodate these workers; they already have ample work forces to meet demand, officials said.

Party chief Jiang Zemin has recognized the potential crisis and at the Party Central Committee's Eighth Plenum held late last year, asked for serious attention to the rural employment problem.

To this end, China has launched more than 40 pilot programmes nationwide to find new outlets for the surplus rural labour, the Ministry of Labour said.

Sichuan, Henan, Anhui, Gansu, Zhejiang, Shandong, Guangdong and other provinces have already seen some initial results, officials said. Monitored by the ministries of agriculture and labour and the State Council Development Research Centre, a government think tank, the programmes in these areas have collected funds to build rural factories, contracted areas to plant and fish, set up rural townships to absorb foreign investment and surplus labour and promoted more labour export.

If they work, the programmes will be expanded to other areas, said Zhang Xiaojian, a deputy director with the Labour Ministry.

Chinese experts offer for the basic solutions to surplus labour: Rural economic development; agricultural system reforms; strict control of population growth; and farmland preservation.

As another solution, Chen Yaobang, Vice-Minister of Agriculture, has hope for rural industries, which after starting from scratch now employ almost 100 million former farmers.

Densely-populated coastal provinces such as Guangdong have been recruiting more workers from the less-developed provinces, Chen said.

One example: In Wenzhou City, Zhejiang Province, farmers have built 120 towns since 1984, which have provided 1.2 million jobs in only seven years, he said.

China's rural labour force grew to 420 million by 1991, a 30 percent increase since 1957. Arable farmland decreased by 5 percent during the same period.

Every year, 3 to 4 million farmers will have to leave their land and make room for capital construction, said Deputy Labour Minister Li Peiyao, a non-communist who supports population control and farm preservation.

Symposium Held in Beijing on 1990 National Census

OW2602102792 Beijing XINHUA Domestic Service
in Chinese 0800 GMT 25 Feb 92

[By reporter Yu Changhong (0060 7022 3163)]

[Text] Beijing, 25 Feb (XINHUA)—Conducted under worldwide attention, the fourth national census made a thorough investigation of China's current population and gathered a wealth of population data and information. A symposium aimed at making in-depth exploitation and use of data gathered by the 1990 national census opened in Beijing today.

Thanks to the concerted efforts by local census bodies at various levels and full cooperation from relevant departments and all circles of society under the leadership of the State Council and local governments at various

levels, the tasks of general survey and registration, manual compilation of data, coding, input of data, and sampling compilation of data for the fourth national census, which was conducted on 1 July 1990, have been completed on schedule with a high level of quality. The work has now entered a stage of full-scale compilation, exploitation, and utilization of the data gathered.

The country currently is facing a grim population situation and a very arduous task to control population growth. During the Eighth Five-Year Plan period and the coming decades, the country will feel the simultaneous impacts of a baby boom, an employment peak, and an aging population and will have to face a series of economic and social problems caused by the rapid increase in births, working population, and elderly population. The ample population data gathered by the fourth national census has provided us with an important basis for analyzing the present population problems, forecasting future trends, and studying the relevant solutions.

Census bodies at various levels, institutes of higher learning, and relevant scientific research units are now making in-depth and comprehensive analyses and studies on information gathered by the census, analyses and studies that were released successively. According to incomplete statistics, more than 100,000 theses, research papers, and analytical articles have been written throughout the country on information gathered by the census. Sponsored by the general office of the leading group for the fourth national census under the State Council, the symposium on the 1990 national census will provide a review of the population survey and the exploitation and use of census information during the earlier stage and a rewarding exploration of ways to conduct more scientific census and deeper exploitation of census information in the future.

According to another briefing, an international seminar on the 1990 national census of China will be held in Beijing this October.

Population Figures Given; 1992 Situation 'Grim'

OW2902050592 Beijing XINHUA Domestic Service
in Chinese 2113 GMT 28 Feb 92

[Text] Beijing, 29 Feb (XINHUA)—According to a sample survey conducted by the State Statistical Bureau on demographic changes in 1991, the birth rate of the population nationwide in 1991 was 1.968 percent, down by 0.138 percent as compared with 1990; the newborn population for the whole year was 22.59 million, fewer by 1.25 million than that of 1990; and the mortality rate was 0.670 percent, while the natural growth rate was 1.298 percent, a decrease of 0.141 percent over the 1.439 percent recorded in 1990. Accordingly, the total population on Mainland China in 1991 was 1.15823 billion, a net increase of 14.90 million, 1.39 million fewer than in 1990.

The main reasons for the decrease in China's population in 1991 were that various localities had earnestly implemented the "Decision on Strengthening Family Planning and Strict Control of Population Growth" which was set by the CPC Central Committee and the State Council; generally strengthened leadership over family planning work; and took a series of effective measures, thus markedly reducing childbirth outside the plan. In addition, some of the masses who are superstitious, believing that child-bearing in the Year of the Ram is inauspicious, have put off the time for child-bearing, thus resulting to a certain extent in a decline in the rate.

According to estimates, given the number of Chinese women of child-bearing age in 1992, China's third child-bearing peak period will be reached, and our population situation will still be very grim.

State Council Temporarily Suspends Summer Time

*OW0503061492 Beijing XINHUA Domestic Service
in Chinese 0246 GMT 5 Mar 92*

[Text] Beijing, 5 Mar (XINHUA) —The State Council General Office has issued a circular stating that the

implementation of the summer time system will be suspended temporarily as from this year.

The circular says: Since the implementation of the summer time system in 1986, some regions in the country have accomplished the task of cutting down their electricity consumption with the help of sunlight. However, in view of the big difference in temperature between northern and southern China and the large difference in time between eastern and western China, coupled with the unified adoption of Beijing time, the implementation of the summer time system will not produce the desired effect of economizing on electricity in northwest and southwest China, as well as in areas to the south of the Yangtze River. Moreover, the implementation of the summer time system has also caused great inconvenience to the life of the masses of people, as well as to railway, transportation, and other industries. Under such circumstances, the State Council has decided to discontinue implementation of the summer time system temporarily, commencing in 1992. Various localities may rationally readjust their work schedules in accordance with the seasonal change so as to take full advantage of sunlight, thus achieving the objective of economizing on electricity.

East Region

Agenda of Anhui People's Congress Fifth Meeting

OW0603105492 Hefei Anhui People's Radio Network
in Mandarin 1100 GMT 6 Mar 92

[Agenda of the Fifth Meeting of the Seventh Anhui Provincial People's Congress; from the "Provincial Hookup" program]

[Text] 1. To hear and deliberate the government work report of Fu Xishou, governor of the Provincial People's Government. To examine and adopt the outline of Anhui's 10-Year Provincial Economic and Social Development Program and the Eighth Five-Year Plan.

2. To hear and deliberate the Provincial Planning Commission Director (Zhang Qing's) report on the Implementation of Anhui's Provincial Economic and Social Development Program in 1991, and the draft plan for 1992. To examine and adopt the reports on the implementation of Anhui's Provincial Economic and Social Development Program in 1991 and the draft plan for 1992.

3. To hear and deliberate the Provincial Finance Department Director Yang Lianzhu's reports on the implementation of Anhui's 1991 budget and the draft budget for 1992. To examine and adopt the reports on the implementation of Anhui's 1991 budget and the draft budget for 1992.

4. To hear and deliberate Vice Chairman of the Anhui Provincial People's Congress Standing Committee, Zheng Rui's report on the work of the Provincial People's Congress Standing Committee.

5. To hear and deliberate the Provincial Higher People's Court President, Wang Chengle's report on work of the Provincial Higher People's Court.

6. To hear and to deliberate the Provincial People's Procuratorate's Chief Procurator Feng Jianhua's report on the work of the Provincial People's Procuratorate.

7. Election matters.

Anhui Holds Conference of Chief Procurators

OW0503142092 Hefei ANHUI RIBAO in Chinese
27 Feb 92 p 1

[By Zhan Xu (6124 2485) and Li Changwen (2621 2490 2429): "Gearing Procuratorial Work to the Needs of Reform, Opening Up, and Economic Construction—Provincial Conference of Chief Procurators Held in Hefei"]

[Text] A provincial conference of chief procurators, which ended on 24 February, called for steadfastly implementing the party's basic line and gearing the procuratorial work to serving the needs of reform, opening up, and economic construction. During the

conference, the guidelines of the national political and judicial work conference and the national conference of chief procurators were transmitted, and the conferees studied the relevant documents, reviewed the procuratorial work of last year, and worked out arrangements for this year.

It was noted at the conference: Last year, continuing to focus attention on the anti-corruption drive, the procuratorial organs throughout the province accepted a total of 2,850 cases and placed 1,735 of them on file for investigation. Of these, 643 were major cases each involving embezzlement exceeding 10,000 yuan, and 14 were criminal offenses committed by cadres at the county or section level. Through investigations, the procuratorial organs recovered a total of 23.3 million yuan economic losses for the state and collectives. The procuratorial organs also meted out speedy and severe punishments to serious criminal offenders, thereby bringing about a change for the better in public order, reinforcing the supervision by law and discipline, and improving the procuratorial work in all fields.

It was pointed out at the conference: In the coming new year, the procuratorial organs should proceed from the needs of reform, opening up, and economic construction in earnestly performing the legal and supervisory duties, and deepening the anti-corruption drive. They should fully apply their procuratorial functions to invigorate state-owned large- and medium-sized enterprises, and provide better service for agriculture and rural work. In conjunction with the anti-corruption drive, it is necessary to step up investigations into tax evasion, misappropriation of public funds, fake and substandard products, large amounts of funds with dubious sources, and other crimes. It is necessary to continue to crack down on serious criminal offenses to safeguard political and social stability. It is also necessary to reinforce laws and discipline in the procuratorial work, investigating and punishing cases of violation of the rights and dereliction of duties according to the law, in order to protect citizens' democratic rights, personal rights, and other lawful rights, and interests prescribed in the Constitution and law; to promote the construction of clean government; and forge closer ties between the party and the masses. Meanwhile, it is necessary to improve procuratorial work in other fields and actively coordinate with other departments in making a concerted effort to improve public order. Efforts should be made to improve the quality of rank-and-file procurators, intensify the construction of leading bodies, maintain the high standards of the procuratorial organs, and promote clean administration. It is also necessary to launch campaigns to emulate the advanced, and pay close attention to the education and training of cadres.

Wang Shengjun, Standing Committee member of the provincial party committee and secretary of the provincial political and judicial commission; Zheng Rui, vice chairman of the provincial people's congress standing committee; and senior officials of the provincial political

and judicial departments attended the conference. Wang Shengjun spoke at the conference.

Anhui Deputy Secretary on Reform, Opening

OW0503155392 Hefei ANHUI RIBAO in Chinese
28 Feb 92 p 1

[Article by Anhui Provincial People's Broadcasting Station reporter Hua Yan (5478 1484) and ANHUI RIBAO reporter Gao Xiushu (7559 4423 3219): "It Is Necessary To Intensify and Accelerate the Reform and Opening Drive and To Fuel More Rapid Economic Growth in Our Province"]

[Text] Speaking at a 27 February ceremony marking the opening of the 1992 spring term of the party school under the provincial party committee, Meng Fulin, deputy secretary of the provincial party committee and president of the school, repeatedly stressed the need for further emancipating the mind, intensifying reform, accelerating the pace of opening to the outside world, and fueling more rapid progress in our province's economic construction.

Meng Fulin stated: The party's basic line is a political line formulated for the primary stage of socialism in accordance with our country's conditions and strength. Covering extremely wide-ranging aspects, it fully embodies the thought of building socialism comprehensively according to scientific socialist principles. The central idea of this thought is to boost the economy and to concentrate on developing the productive forces. Speaking from the fundamental perspectives of historical materialism, from our country's experience in social development, and in light of the current volatile international situation, competent administration of our country's domestic affairs constitutes the fundamental way to effectively resist the plot of "peaceful evolution" carried out by hostile international forces and to steadfastly follow the path of socialism with Chinese characteristics. Efforts to promote economic construction also play a crucial role. These are the most fundamental experiences that our country gained in building socialism as well as the most important lessons that we drew from the changes in some countries. Hence, we must firmly establish the guiding thought based on economic construction and carry out this central task relentlessly.

Meng Fulin noted: The pace of reform and opening to the outside world must be quickened in order to accelerate economic development. The party Central Committee and the State Council have decided to appropriately quicken the pace of reform and opening to the outside world this year. In his recent remarks, a leading central comrade called for carrying out the reform and opening drive more boldly and swiftly in the present stage, saying that efforts should be made to fuel more rapid progress in economic construction through reform and opening programs.

To cater to these demands arising from the new situation, we should pay attention to performing the following tasks well: First, we should further emancipate our minds and heighten awareness about the need to accelerate the reform and opening drive. We should take bold pathbreaking measures and actions in launching all programs that are favorable to socialism and to the development of social productive forces. We should also try things that others have never tried before. Second, we should embrace wide-ranging reform and enhance the vigor of economic development. In carrying out reform thoroughly in all fields of activity this year, we will encounter formidable tasks. In accordance with the plans formulated by the party Central Committee and the State Council, we should earnestly and efficiently perform the following tasks while embracing wide-ranging reform: In accordance with the demands outlined in the "Decision on Further Strengthening Agriculture and Work in Rural Areas" adopted at the Eighth Plenary Session of the CPC Central Committee, we should carry out reform thoroughly in the countryside and lead the broad ranks of peasants onto the road of common prosperity in dealing with agricultural matters. At present, we should pay attention to streamlining administration and to relegating authority and should improve our services. In accordance with the guidelines of the central work conference, we should work hard to promote internal reform in enterprises and concentrate on changing their internal operating mechanisms in order to turn them into economic concerns that operate independently, assume responsibility for their own profits and losses, and cater to market demand. We should smash "three iron objects" (iron rice bowl, iron-clad wages, and iron armchair) and "one big object" (big rice pot). We should ensure "flexibility in three areas" by promoting or demoting cadres, hiring or dismissing workers and staff members, and increasing or decreasing wages as necessary. We should foster "three forms of reliance" by encouraging reliance on competition, contributions, and contracts in performing individual duties, fixing wages, and exercising management. We should reform the system of commodity circulation; continue to advance structural reform in commerce, materials distribution, and foreign trade; promote growth in market activity; and strive to improve economic returns. Administrative departments at all levels should gradually modify their purely administrative and managerial functions in favor of integrated managerial, service-oriented, and operational functions. In particular, they should expand their service-oriented functions. We should open wider to the outside world; implement the principle of "opening up widely"; actively bring in technology, funds, and skilled personnel; and expedite the development of economic construction. Third, we should maintain our correct concepts of reform and set straight the socialist course of reform and opening. We should further emancipate our minds, quicken the pace of reform and opening, take new reform and opening measures seriously, and promote those measures after conducting experiments and gaining relevant experiences. We should conduct experiments boldly and promote our findings cautiously. We

should follow the principle of "adopting those measures temporarily and abandoning them later if necessary" so as to ensure normal progress in our work. While upholding the dominant status of public ownership, we should encourage the proper development of economic sectors not under public ownership. We should support the combination of economic planning with market regulation in order to give full rein to the superior functions of these two regulatory mechanisms. Moreover, we should work persistently to reconcile the needs for reform, development, and stability. Fourth, we should promote overall economic and social development through our reform and opening drive. We should vigorously reconstitute the economic structure, promote rational division of labor among localities, coordinate the development of different localities, actively launch scientific and technological educational programs, further improve the people's living standards, and undertake various social programs.

Meng Fulin indicated in his speech that it is necessary to continuously optimize the social environment and ensure faster development of reform, opening, and economic construction. He asked that efforts be carried out to strengthen the construction of socialist spiritual civilization and to strengthen judicial, procuratorial, public security, and discipline inspection work in order to "escort and act as the convoy for" the acceleration of economic development. He also said: It is essential to expand the ranks of cadres to accommodate and guarantee economic development. All sectors and departments should focus their efforts on economic construction, enhance cooperation, coordinate closely, and together play the cantata of economic construction. It is also essential to seriously implement various policies, arouse the enthusiasm of all sectors, adopt a down-to-earth style, carry out earnest and solid work, and refrain from conducting empty talk or assuming great airs.

In his speech, Meng Fulin asked that students fully understand the urgency of learning Marxist theories under present situation and further increase their consciousness in studying. He also asked that they concentrate their attention, study hard, improve their understanding, and enhance their party spirit.

Also attending the ceremony opening the school term were Liu Guangcai, standing committee member of the provincial party committee and organization department head, responsible comrades of relevant departments under the province, and other leading comrades of the party school under the provincial party committee.

Anhui Conference Plans To Stabilize Prices

OW0603043492 Hefei ANHUI RIBAO in Chinese
27 Feb 92 p 1

["In Carrying Out Work on Commodity Prices This Year, the Province Will Implement Set Policies, Maintain the Basic Stability of Prices, and Promote the Resumption of Economic Development"]

[Text] According to a provincial work conference on commodity prices, which ended on 23 February, our province will continue to implement the guiding principle of "maintaining price stability while seeking to invigorate the economy" and strive to promote resuming economic development while not relaxing control on the general level of commodity prices.

This year, our province will continue to practice the contract system for price control to maintain the basic stability of market prices. In urban areas the emphasis is to stabilize the prices of vegetables. Under the leadership of local governments, price departments at all levels should actively coordinate and help in carrying out the "vegetable basket project" so as to maintain the basic stability of vegetables, meat, poultry, eggs, and other nonstaple foods. In the countryside the emphasis is to control the prices of the means of agricultural production so as to let the peasants recover from the effects of the flood disaster and to accelerate restoring and developing agricultural production. In disaster-stricken areas it is necessary to ensure that the prices of necessities for disaster victims are basically stable. It is imperative to further strengthen management of administrative and business charges so as to limit the types of charges and the amount of the charges themselves. With the aim of upgrading state-run large and medium-sized enterprises, developing the rural economy, and enlivening the circulation of commodities in our province, price departments at all levels should further deepen price reform and open up a new area for price reform work.

Vice Governor Zhang Runxia spoke at the provincial conference on price work. She said: Last year our province was hit by a disastrous flood rarely seen in history. The province's general retail price level rose by 5.7 percent over the previous year. It did not exceed the planned control target set by the state, but was lower than it by 0.2 percent. The prices of major items such as meat, poultry, eggs, aquatic products, and grain and edible oil sold at country markets were either stable or lower than before. It is due to the efforts of the price departments and other relevant departments that the basic stability of market prices were maintained in a year of great disaster. The provincial party committee, the provincial people, and the party committees and governments at other levels are satisfied with the result, and the masses are satisfied with the results.

Zhang Runxia pointed out: Our province faces an arduous task to restore and develop the economy this year. Price departments at all levels should bear in mind the importance of economic work, further emancipate their minds, advance by blazing a new path, and creatively do their price work well under the new situation. They should correctly handle the relationship in three aspects well—the relationship between stability and reform and development, the relationship between the prices of upstream foundation industries and those of downstream processing industries, and the relationship between free prices and controlled prices. Without stability, it is impossible to deepen reform; without reform,

it is also difficult to maintain stability. Prices will naturally become stable when products are plentiful following successful reform. Governments at all levels and relevant departments should adopt effective measures to keep general price increases within the limit set by the state this year. At the same time, they should serve society, go into production, circulation, and consumption fronts, apply the levers of prices, deepen price reform, and promote economic development. Price departments should coordinate the relationship between the prices of upstream products and those of downstream products and gradually decontrol the prices of the majority of products and labor services so as to let the market regulate prices. With the lifting of prices, it does not mean that we do not have to manage them any more. We should study new management measures, lift prices in an appropriate way, enliven them in an orderly way, and manage them according to law, and make still greater contributions to restoring and developing our province's economy.

Jiangsu Congress Holds Preparatory Meeting

*OW0503140992 Nanjing Jiangsu People's Radio
Network in Mandarin 1015 GMT 5 Mar 92*

[By station reporter (Jiang Ning); from the "News" program]

[Text] A preparatory meeting of the Fifth Session of the Seventh Jiangsu Provincial People's Congress was held this afternoon. Deputies attending the meeting elected a 70-member presidium to the fifth session by a show of hands, voted Zhang Yaohua the session's secretary general, and adopted the session's agenda. The agenda is as follows:

1. To hear and deliberate the provincial government work report.
2. To examine and approve the progress in implementing the 1991 provincial economic and social development program and the 1992 provincial economic and social development program.
3. To examine and approve the progress in implementing the 1991 budget and the 1992 budget.
4. To hear and deliberate the work report of the provincial people's congress.
5. To hear and deliberate the work report of the provincial higher people's court.
6. To hear and deliberate the work report of the provincial people's procuratorate.
7. To hold election.

Attending the meeting were Chairman Han Peixin and vice chairmen Li Zhizhong, Xing Bai, Li Qingkui, Zhang Yaohua, and Qin Jie.

Shandong Province Ends Conference on Opening Up

*SK0603062292 Jinan Shandong People's Radio
Network in Mandarin 2300 GMT 4 Mar 92*

[Text] After a four-day session, the provincial conference to exchange experience in deepening enterprise reform and opening wider to the outside world ended at Nanjiao Guesthouse in Jinan on 4 March.

Jiang Chunyun, secretary of the provincial party committee; Zhao Zhihao, deputy secretary of the provincial party committee and provincial governor; and Linghu An, vice minister of labor, attended and addressed the conference on the morning of 4 March.

Li Chunting, deputy secretary of the provincial party committee, and vice provincial governor, presided over the conference.

Speaking on implementing the guidelines of this conference, Zhao Zhihao stressed: To deepen enterprise reform and open wider to the outside world, we must attach prime importance to emancipating thinking and unifying understanding. The emphasis of emancipating thinking should be first placed in leading organs and management departments and among comrades engaged in leadership work. All organs and enterprises have the problem of iron rice bowls, iron armchairs and iron wages. The phenomena of those who failed to emancipate their thinking and refused to support the emancipation of ideas, and who accomplished nothing in reform and opening up and created obstacles for reform and opening up must be first eliminated.

Zhao Zhihao pointed: To implement the guidelines of the national conference to exchange experience in deepening enterprise reform and opening wider to the outside world, we should focus on improving two aspects. This year, we should mobilize all forces to fight a battle to tackle the most difficult problems in deepening enterprise reforms, abolish the practice of big common pots and three irons, change the operational mechanism, have enterprises serve the market, and fundamentally solve the enthusiasm and motivational problems. To change the operational mechanism of enterprises, we need the coordination and support from all sectors, of which the change of functions of the party and government organs is the most essential factor to guarantee success. The enterprise operational mechanism change should play a dominant role while the party and government functional change should aim at giving service. It is necessary to give more indirect management and less direct interference, and give service in the course of management. Party committees and governments at all levels, and all departments should serve the practice of scraping the big common pot and three irons with their actual deeds, support enterprises, and comprehensively implement the enterprise law. Continued effort is needed to solve the problem of each unit acting independently and the units must take this conference as a reference. In the days to come, departments that force enterprises to coordinate only with their counterpart units at the upper or lower

levels or infringe upon the decision-making rights of enterprises must be handled as law and discipline breaches.

Zhao Zhizhao stressed: In deepening enterprise reform and opening wider to the outside world, we must give fewer empty talks and do more practical work, promote typical cases, and firmly grasp implementation. The power of model cases is inexhaustible. Our successful way of doing things has been to have models lead our way. The responsibility of leaders is to persist in the practice of getting the masses' opinion and referring them back to the masses, respect the pioneering spirit of the masses, and be good at discovering, summing up, and promoting typical cases. In the current enterprise reform, we should also outstandingly grasp the work of summarizing and promoting typical cases. At the conference, 33 units introduced their successful experiences in different aspects, which are valuable for popularization. We should conscientiously study these experiences realistically, draw lessons from them, create new ideas and make improvements, and do a good job in this aspect.

Zhao Zhihao pointed out: Abolishing big common pots and three irons and effecting two changes are the most difficult problems in reform as well as the profound revolution on ideology and work style. To accomplish this arduous task, the upper and lower levels across the conference and all trades and professions should foster the wholehearted spirit of arduous struggle, working hard, not being upset by criticism, and doing solid work. They should also foster the pioneering spirit of fearing no hardship, being unwilling to lag behind, being keen to create new things, and daring to pioneer a task. They should also maintain close cooperation and coordination on their own initiative, support one another, and turn this work into a criterion for distinguishing between right and wrong, a standard norm, and a social practice so that it will become a tremendous material force for promoting reform and opening up, so that the people of Shandong can become rich and prosperous, and regenerate China.

Shanghai Paper on Faster Rural Development

OW0503210892 Shanghai JIEFANG RIBAO in Chinese
1 Mar 92 p 1

[Editorial: "Emancipate Our Minds, Speed Up Reforms and Opening Up, and Create a New Situation for Agriculture and Rural Work in Suburbs"]

[Text] The Shanghai Municipal Party Committee and the municipal government called a conference yesterday to discuss rural affairs. This important conference was called to emancipate our minds, accelerate the reform and opening process, and create a new situation for agriculture and rural work for the rest of the century as exhorted by the Eighth Plenary Session of the 13th CPC Central Committee. The series of policies adopted at the conference—such as "specifying responsibilities and decontrolling authority"; intensifying comprehensive,

supporting reforms in rural areas; and expediting the development of joint ventures and cooperative and foreign-funded enterprises in suburbs—are significant for deepening rural reforms and expediting economic growth and social progress in rural areas. The key issue now is to implement these policies firmly and earnestly.

To implement the guidelines of the conference, we must, first of all, continue to focus our attention on economic construction, which is the central task and firmly implement the policies adopted since the Third Plenary Session of the 11th CPC Central Committee. During the course of implementing the reform and open policy, our party has developed the basic line characterized by "one center and two basic points." This center is none other than economic construction. The fact that we have withstood all sorts of storms in the last decade or so lies primarily in the enormous successes we have achieved in restructuring our economic system, enhancing our economic construction, and having substantially improved the people's living conditions. The gratifying situation we can see today has made us even more aware of the fact that "focusing on economic construction" conforms to the situation of the country and the will of the people, and that it is the truth for building a strong country with affluent people. While focusing on economic construction in rural areas, one very important requirement is to stabilize the various responsibility systems, especially the responsibility system whereby remuneration is linked to household output. Under this system, collective economies can give full scope to their strengths and individual peasants can give full rein to their initiatives. Thus, we should make this system a basic, long-term system. Rural enterprises are essential for rejuvenating the rural economy, and their development is essential for achieving the second-step strategic objective. We should continue to implement the policy governing the "integration of urban and rural areas," and make positive efforts to support rural enterprises, draw up rational plans for their development, provide them with proper guidance, and improve the supervision over their operation. We must make great efforts to develop rural enterprises and see to it that they play an even better role in supporting the rural economy and urban industries.

To implement the guidelines of the municipal conference on rural affairs, we must continue to emancipate our minds, deepen reforms, open wider to the outside world, and seize the opportunities provided by the development and opening up of Pudong so that suburbs can open wider to the outside world and the development of joint ventures and cooperative and foreign-funded enterprises can be even faster. Today when the world situation is so changeable and when we are confronted with fierce competition and formidable challenges, low growth is tantamount to no growth. Since we will fall behind if we slow down, we must heighten our sense of urgency in expediting our economic development. We should be aware that suburban Shanghai still falls behind rural areas in neighboring provinces in the development of joint ventures and cooperative and

foreign-funded enterprises. To speed up the development, the municipal party committee and the municipal government have decided to delegate the nine counties and one district in suburbs greater responsibilities and authority, and to carry out comprehensive pilot projects of reform in selected areas. This will be very helpful for increasing county governments' overall regulatory capacity and for improving the environment for investment in suburbs. Party and government organizations in these nine counties and one district should examine the situation, seize every opportunity to speed up the development of joint ventures and cooperative and foreign-funded enterprises in suburbs, and strive to achieve small changes in one year and big changes in three years. There are two things municipal authorities should do: first, they should decontrol authority; and second, they should offer assistance. They should, by providing better management, services, and coordination, guide these nine counties and district to examine and approve projects in accordance with municipal guidelines for foreign investment and industrial priorities so that there will not be redundant investment or establishment of technologically outmoded industries.

While implementing the guidelines of the municipal conference on rural affairs, we must, while expediting construction and speeding up reforms and openness, firmly adhere to the socialist course, continue to conduct socialist ideological education in rural areas, and heighten the ethical and legal concepts of people in rural areas. The "one center and two basic points"—elements of our basic party line—are one integrated concept which must be comprehended and carried out as a whole. In recent years, party and government organizations in suburbs have been broadening and deepening socialist ideological education and promoting socialist ethics, focusing on economic construction. What they do is right, and the results they have achieved are satisfactory. Now the municipal conference on rural affairs has drawn up a comprehensive plan for conducting socialist ideological education and promoting socialist ethics in rural areas. In the light of their individual situations, party and government organizations at all levels in suburbs should carry out the plan more earnestly and effectively so that good public conduct and ethics can be maintained in the rural areas during the course of deepening reforms and opening wider to the outside world.

During this new year, we must rally closely around the party Central Committee with Comrade Jiang Zemin as the core, fully and accurately implement the basic party line, emancipate our minds, and work hard with higher morale to build better suburbs so that we can greet the 14th National Party Congress with actions in creating a new situation for agriculture and rural work in suburbs.

Governor Ge Hongsheng Gives Government Report

OW0603043292 Hangzhou Zhejiang People's Radio
Network in Mandarin 1000 GMT 5 Mar 92

[From the "Provincial News Hookup" program]

[Excerpts] The Fifth Session of the Seventh Provincial Zhejiang People's Congress was held in Hangzhou today. A total of 691 deputies who represent all walks of life in the province solemnly performed their duties here. [passage omitted]

The report made by Governor Ge Hongsheng can be divided into the following eight parts: a review of work in 1991; general requirements for government work in 1992; maintaining sustained and stable growth of economic development; great efforts should be made to develop scientific, technological, and educational causes; deepening reform of the economic system; opening wider to the outside world; strengthening socialist spiritual construction as well as democratic and legal system construction; and carrying out the policy of clean government. [passage omitted]

On the afternoon of 5 March, the Fifth Session of the Seventh Provincial Zhejiang People's Congress held its second plenary meeting. The meeting heard a report by Chai Songyue, vice governor and chairman of the provincial planning and economic commission, on implementing Zhejiang's 1991 plan for national economy and social development and on Zhejiang's 1992 draft plan for national economy and social development; a report by Song Shaoxiang, director of finance department, on implementing Zhejiang's 1991 financial budget and on Zhejiang's 1992 draft financial budget.

Central-South Region

Article on Guangdong's Foreign Trade Strategy

HK0603031392 Guangzhou NANFANG RIBAO
in Chinese 2 Mar 92 p 4

[Article by Liao Jianxiang (1675 1696 6116): "New International Economic Trends and Guangdong's New Strategy for Development of Foreign Economic Relations and Trade"]

[Text] What are the trends of international economic development in the new year? What are their characteristics? To adapt itself to the international economic development trends, what strategy will Guangdong adopt for developing its foreign economic relations and trade? The writer of this article will discuss his superficial views on the questions.

1. The Trends and Characteristics of International Economic Development

1. International economic relations in 1992 will still develop along the road of economic internationalization and the formation of regional blocs. As the European unified market and the U.S.-Canadian trade agreement are gradually maturing, the pattern of forming regional blocs of states will become more obvious; the strengthening of the internal economic cooperation between

members of each regional bloc and the discrimination by one bloc against another more severe; and trade protectionism more prominent.

2. In international economic development, the triangular contradiction and struggle between developed capitalist countries, namely, the United States, the EC countries, and Japan, will still be the dominant contradiction in the world economic and trade war in 1992. The contention between them for each other's domestic markets and for overseas markets will become more acute in the new year.

3. The economies of the Asia-Pacific developing countries and regions will develop rapidly. They will further play their roles and exert their influence in the international division of labor and economic cooperation and exchange and become a vital new force in world economic development. Their position attracts more and more people's attention.

4. The scientific and technological revolution and the readjustment and optimization of the industrial structure will still be the main dynamic force for accelerating the development of the world economy. The focus of international economic competition is competition in science and technology and talent. The position of new technology products in international trade will become increasingly important. The developed countries' industrial structural optimization is manifested, in a concentrated way, in the application of new and high technologies, the development of new products, and the upgrading of products. The struggle between the developed countries' striving to maintain their technological edge and the developing countries' striving to break technological blockades remains an outstanding problem in international economic cooperation and exchange.

5. In world economic development, East-West and North-South relations in the new year will become more complicated and unpredictable. In East-West relations, with the disintegration of the Soviet Union, the drastic changes in East Europe, and the collapse of CEMA, the declining tendency of the economies and foreign trade of the former Soviet Union and East European countries will undoubtedly have a tremendous impact on the world economy. The economic cooperation between the Soviet Union and East European countries on the one hand and Western countries on the other will undergo reorganization. Moreover, there will be no big change in the situation of slow economic growth experienced by the capitalist countries, headed by the United States, since the 1980's. Since developed capitalist countries are always trying to do each other down and, at the same time, doing their best to shift the losses caused by economic recession to developing countries, in North-South relations, the so-called establishment of a new international economic order is but a platitude. The Third World countries are in an unfavorable position in international economic and trade relations. The gap between North and South is widening. South-South cooperation will develop considerably.

To sum up, the general trend of international economic development in 1992 is that in the course of economic internationalization and formation of regional blocs, cooperation, struggle, and development will run through the entire development of international economic relations.

II. Line of Thinking on Strategy for Guangdong To Develop Foreign Relations and Trade

In the light of the international economic development trends in 1992, I have the following thoughts on the strategy for Guangdong to develop foreign relations and trade in 1992.

1. Bring the favorable conditions and role of Guangdong's foreign relations and trade in the world pattern of economic internationalization and formation of regional blocs into fuller play. In the last 10 years or so, in the course of reform and opening up to the outside world, Guangdong has established and developed economic and trade relations with countries and regions in the five continents of the world and made a good beginning in getting involved in the international division of labor and developing economic and technological cooperation and exchange between states.

It has also achieved good results in such areas as using foreign capital, importing technology, expanding overseas markets, and establishing enterprises in foreign countries. Moreover, in practice, Guangdong has placed stress on the importance of strengthening regional cooperation. Economic cooperation between Guangdong, Hong Kong, and Macao is becoming closer and closer and moving in the direction of cooperation in structural optimization from the previous cooperation of a complementary nature. Talk about the establishment of a South China Sea economic ring (zone), covering Guangdong, Hainan, Fujian, Hong Kong, Macao, and Taiwan, is increasingly abundant. Moreover, there has been an attempt to establish broader economic regional cooperation ranging from South Korea to the Southeast Asian and Indochinese regions. All this reflects the possibility of the practice and development of economic cooperation. The expanded multi-ring and multilevel cooperation, with cooperation between Guangdong, Hong Kong, and Macao at the core, is one favorable condition for Guangdong's development of foreign relations and trade in 1992. All in all, Guangdong should promote the development of its foreign relations and trade by using and developing its strong points in economic internationalism and regional cooperation. This is an important strategic principle.

2. Pluralize the export market. This is an important strategic principle for expanding foreign trade. Guangdong exports its goods mainly to Hong Kong and Macao. In the future, while continuing to develop the Hong Kong and Macao markets, Guangdong should also actively expand markets in Southeast Asia, South Korea, Japan, the Middle East, Australia, New Zealand, Africa, Latin America, the CIS, and East Europe. In doing trade with Taiwan, Guangdong should strive to turn indirect

trade into direct trade. The pluralization of export markets also depends on expanding transoceanic direct trade, opening up more overseas marketing channels, and energetically establishing enterprises in foreign countries.

3. Improve the quality of export goods. Strict requirements should be set on export goods according to the variety, specifications, quality, and packaging of marketable commodities in international markets. Efforts should be made to export higher-grade commodities and increase the added value of processed goods through intensive and fine processing. Foreign trade enterprises should be allowed to accelerate the depreciation process and encouraged to update their products. Energetic efforts should be made to support the production and export of brand-name, top-quality products, special local products, and scientific and technological products in taxation, credit, and commercial terms so as to increase their competitiveness in international markets.

4. Strengthen the building of export production systems, closely combine production, circulation, transport, information, scientific research, and service, and form an integrated system for the procurement of supplies, production, and marketing. It is necessary to form a multilevel and multiform complete production system by placing stress on running well export enterprises, export production bases, and specialized factories and workshops so as to ensure good product quality, transport, and service, and also necessary to establish export enterprise groups and directly open shops and even production enterprises in foreign countries.

5. Strive to establish new- and high-tech export enterprises and the export of new and high technologies. High-quality and high-added-value products depend on the application of new and high technologies. This being the case, energetic efforts should be made to develop scientific and technological products using domestic scientific research achievements and to increase the technical know-how content and added value of export products. At the same time, great stress should be placed on the import, assimilation, and upgrading of advanced and practical technologies and on shifting the export of labor-intensive products to that of labor- and technology-intensive products and mainly knowledge-intensive products.

6. Continue to strengthen the construction of infrastructural facilities and further improve the investment environment. The improved investment environment includes the hard and soft environment, work efficiency, laws and decrees, and rules and regulations, which should all be further improved.

7. Further deepen supporting reforms in the foreign economic relations and trade structure. There should be unified policies as well as laws and regulations concerning the operation structure of foreign trade enterprises, the financial structure, the shareholding structure, financial cooperation between Guangdong and

Hong Kong, development zones in various cities and counties, and the construction of bonded warehouse zones so as to ensure the smooth progress of the work.

Zhao Fulin Addresses Structural Reform Conference

HK0603010092 Nanning Guangxi People's Radio Network in Mandarin 1130 GMT 29 Feb 92

[Excerpts] A regional economic structural reform and labor emulation commendation conference concluded in Nanning on 28 February.

The conference was devoted to deepening enterprise reform, pushing ahead with economic structural readjustment, shifting enterprises' operative mechanisms, increasing economic efficiency, and expediting region-wide economic structural reform.

After study and discussion, the conference decided to unfold comprehensive reform experiments in 57 large and medium state-run enterprises, including the Liuzhou Toothpaste Factory and the Nanning Machinery Plant, and in a number of comprehensively structured enterprise groups with a view to shifting their operative mechanisms and gradually turning these enterprises into socialist commodity producers and operators responsible for their own management, profits, losses, self-development, and self-restriction; into relatively independent economic entities; and into legal entities with relevant powers and obligations.

The conference stated: The present pressing task is to smash the big pot practice and establish a system under which enterprises assume responsibilities for their own profits and losses, compete with one another on an equal footing, and survive through a process of competition and selection. We must also smash the iron bowl practice and establish a distribution mechanism capable of allowing higher and lower incomes and avoiding excessive distribution of national income to individuals. [passage omitted]

Zhao Fulin, regional party committee secretary, and Wang Rongzhen, regional people's government vice chairman, listened to work reports made by the prefectural and city leaders during the conference.

Zhao Fulin delivered a speech in which he stated: It is important to integrate economic work with reform work. To this end, we must concentrate on the following three aspects:

1. It is necessary to integrate efficiency with speed, promote a steady and coordinated economic growth, further strengthen education on developing productive forces, and devote most energies to developing large and medium industrial enterprises while, at the same time, promoting collective enterprises development in both cities and towns. We must strive to push ahead with industrial development through scientific and technological progress as well as technological transformation, invigorate circulation, build a contingent of competent

marketing personnel, and open up more markets in both rural areas and in the world;

2. It is necessary to promote economic development through reform and opening up. We must not just verbally stress reform. Rather, we must popularize those reform measures proven successful in practice and encourage departments at all levels to work creatively to create fresh experiences. Zhao Fulin noted: Reform must be focused on enterprises while enterprises must concentrate on shifting their own operative mechanisms. Thus, it is necessary to smash the three conventional practices and orient enterprise production to market demands.

3. It is necessary to emancipate minds, unify understanding, strengthen leadership, correctly use policies, implement the Enterprise Law to the letter, and grasp implementation work.

Cheng Kejie, regional people's government chairman, made a summing-up speech in which he forwarded a number of specific views and measures aimed at improving industrial production and unifying speed with efficiency after fully affirming regional economic work achievements in 1990.

Cheng Kejie finally stressed in his speech: We must further emancipate minds, speed up reform, do more realistic things, make fewer empty remarks, and resolutely wipe out various formalistic practices, such as too many meetings and too many documents. This year, we are confronted with onerous reform and economic tasks, therefore, leaders at all levels should make every possible endeavor to unify ideology and strengthen implementation. Only thus will we be able to constantly push forward our work.

Discusses Rural Economic Work

HK0603011592 Nanning Guangxi People's Radio Network in Mandarin 1130 GMT 3 Mar 92

[Excerpt] At the provincial conference on economic work in rural areas, which ended yesterday, regional party committee Secretary Zhao Fulin pointed out: It is necessary to continue to place an effective grip on agriculture, speed up agricultural development region-wide, and make a success of the rural economy. By developing agriculture, we mean developing a large-scale agriculture, namely, developing agriculture in a comprehensive way.

When talking about ways to promote agricultural production regionwide, Zhao Fulin advanced three opinions.

1. We should seize the opportunity to create favorable conditions for developing agricultural production at an accelerated pace. To attain the strategic goal of quadrupling the 1980 GNP by the end of this century and enabling the people to live a fairly comfortable life, we must adhere to the party's basic line and focus on economic construction. We must keep economic construction at the core of our rural work. In our region, since agriculture constitutes part and parcel of our

economy, promoting agricultural development is of great importance for industrial and economic development. Agricultural production provides many raw materials needed for industrial production. If we failed to move agricultural production forward, industrial production would not go up.

2. We should continue to place an effective grip on agriculture and speed up agricultural development. It is necessary to improve conditions for agricultural production, enhance our ability to resist natural disasters, and increase per-unit yield. We should develop a high-yield, high-efficiency agriculture on our existing land, such as high-yield fields, [words indistinct], experimental fields, and demonstration fields. Efforts should be made to develop winter agriculture and make full use of the fields which lie idle in winter. While developing grain production, we should vigorously develop the diversified economy, animal husbandry, the aquatic products industry, rural enterprises, forestry, et al. Whoever makes the investment and carries out the development plan reaps the profit.

3. We should deepen rural reforms and arouse the peasants' enthusiasm for production to liberate the productive forces. It is essential to stabilize the contract responsibility system on a household basis with remuneration linked to output and improve the dual management system combining unified and independent operation, unifying what should be unified and dividing what should be divided to expand the strength of the collective economy. We should set up and improve the service system and provide better services to peasants. At the same time we should further readjust the agricultural production pattern to increase production and peasants' income. It is necessary to enliven circulation of commodities in rural areas. While giving full play to the main channels for commodity circulation, we should organize state-owned enterprises, collectives, and individuals to form multiple channels. [passage omitted]

North Region

Beijing's Rural Enterprises Develop 'Steadily'

OW0303135292 Beijing XINHUA in English 1330 GMT 3 Mar 92

[Text] Beijing, March 3 (XINHUA)—Rural enterprises in Beijing municipality have exhibited steady development for the fifth consecutive year.

According to an official in charge of municipal agriculture, the industrial output value of rural enterprises in the municipality increased by 24.7 percent to 21.31 billion yuan, while profits reached 2.35 billion yuan, an 18.2 percent increase.

The official attributed the increases to widespread applications of science and technology, increased foreign investments, and better control of product quality.

In 1991, the municipality invested more than 670 million yuan in hundreds of projects designed to upgrade rural enterprises, a 1.3-fold increase in funding for the previous year. When completed, the projects will increase the annual output value of Beijing's rural enterprises by 2.55 billion yuan, and some 321 new products will appear in the city's markets.

Recent statistics show that Beijing's rural enterprises have used the services of over 25,000 scientists and technicians from local colleges, factories and research institutions. In addition, more than 59,000 rural workers received some form of technical training during 1991.

In addition, the 227 Sino-foreign joint ventures formed by rural enterprises during 1991 attracted over 72.23 million U.S. dollars in foreign investment, a 2.5-fold increase over the previous year.

At the same time, the export volume of rural enterprises exceeded 1.97 billion yuan in 1991, up 48.8 percent over the previous year.

Beijing's rural enterprises have also put forth great effort to improve product quality. In 1991, a city government check of 497 products produced by 409 rural enterprises revealed that 93.4 percent of the products reached quality control standards, a 3.8 percent increase over the previous year.

Hebei Secretary Attends People's Congress Opening

SK0503233592 Shijiazhuang Hebei People's Radio Network in Mandarin 2300 GMT 3 Mar 92

[Excerpts] The fifth session of the seventh Hebei Provincial People's Congress opened ceremoniously at the auditorium of Shijiazhuang's first workers palace on the morning of 3 March. Guo Zhi, Yue Zongtai, Liu Ying, Hong Yi, Zou Renjun, Du Benjie, Bai Shi, and Li Tie, executive members of the Presidium of the fifth session of the seventh provincial People's Congress, were seated in the front row on the rostrum. Also seated on the rostrum were responsible persons of the provincial party committee, advisory commission, government, committee of the Chinese People's Political Consultative Conference, discipline inspection commission, military district, court, and procuratorate, the Army units stationed in Shijiazhuang, and various democratic parties of the province, including Xing Chongzhi, Cheng Weigao, Lu Chuanzan, Yang Zejiang, Li Wenshan, Ren Peiyu, Ye Liansong, Liu Shanxiang, Han Licheng, Zhang Zhenhuan, Song Shuhua, Guo Hongqi, Gu Erxiong, Wang Youhui, Chen Liyou, Xu Chunxing, Wang Zuwu, Du Jingyi, Wang Enduo, Ma Xinyun, Zhang Ruolin, Chen Lintang, Liu Zongyao, Wang Shusen, Huang Lan, Yu Zhenzhong, Li Yongjin, Liu Zongxin, (Wang Zhengxiao), and (Yao Kegui), as well as all members of the Presidium. [passage omitted]

At 0900 Guo Zhi, executive member of the Presidium, declared the session open.

[Begin recording] [Guo Zhi] Deputies, the deputies to the fifth session of the Seventh Hebei Provincial People's Congress number 922, and 84 of them are absent on leave. Those attending today's session total 838, up to the quorum. Now I declare the fifth session of the Seventh Hebei Provincial People's Congress open. [applause] We will call upon Provincial Governor Cheng Weigao to give a work report of the Hebei Provincial People's Government. [applause] [passage omitted] [end recording]

Cheng Weigao's report was divided into five parts: 1) a review of the past year, 2) guiding thoughts and major targets for 1992 work, 3) seizing the current favorable opportunity to quicken the step in reform and opening up and to concentrate efforts to promote economic construction, 4) taking the initiative in promoting material and spiritual civilizations simultaneously and conscientiously stepping up efforts to promote spiritual civilization with the focus on economic construction, and 5) making conscientious efforts to change work styles and further improve government work.

Cheng Weigao said in his report: Under the correct leadership of the party Central Committee, the State Council, and the provincial party committee, the provincial government paid close attention to economic construction, which is the central task, adhered to the four cardinal principles, persisted in reform and opening up, formulated and implemented the 10-year program and the Eighth Five-Year Plan, and achieved fairly good results in the development of economic construction and various social undertakings in 1991. Total supply and total demand were by and large in balance, and the major tasks for economic improvement and rectification were basically completed. Hebei's 1991 GNP showed a 7 percent increase over the preceding year, and national income a 6.1 percent increase, thus by and large fulfilling the various tasks defined at the fourth session of the seventh provincial people's congress. The entire economic situation continued to develop along a good direction.

Cheng Weigao said: Judging from the economic construction of 1991, our conspicuous problems were as follows. The actual growth rate of agriculture was not high; large and medium-sized enterprises still lacked vigor; the upturn in economic efficiency lagged behind that in production; the low overall industrial economic efficiency had yet to be fundamentally changed; and financial resources remained strained, and a balance between revenues and expenditures remained a difficult job.

Cheng Weigao said: This year is an important year for implementing the Eighth Five-Year Plan, a crucial year for effecting a strategic change in economic work, and a year for further emancipating our minds, deepening reform, and opening wider to the outside world.

He said: The key to achieving success in this year's economic construction lies in implementing the series of important instructions given by the central authorities

recently, resolutely quickening the step in reform and opening up, and always regarding reform and opening up as the basic motivation to promote economic development. In deepening reform, opening wider to the outside world, and developing the economy, the most important and crucial work is to further emancipate our minds to adapt our ideas to the continuously changing new situation. Therefore, we should be bolder, have more courage, and take greater steps in reform and opening up. We should resolve the difficulties and contradictions in economic work through reform and opening up so that our economic construction will develop more rapidly. [passage omitted]

Hebei Holds Conference of Organization Directors

SK0503234892 Shijiazhuang HEBEI RIBAO
in Chinese 11 Jan 92 pp 1, 2

[By reporter Han Shaojun (7281 4801 0689): "Clarify Guiding Thoughts, Give Prominence to Work Priorities, Make Conscientious Efforts To Improve Leading Bodies"]

[Text] At the provincial conference of directors of the organization departments of prefectural and city party committees, which concluded on 10 January, Lu Chuanzan, deputy secretary of the provincial party committee, emphasized three issues concerning how to clarify guiding thoughts, give prominence to work priorities, and step up efforts to improve leading bodies: stepping up efforts to improve leading bodies with the guidance of the party's basic line; fully understanding the extreme importance and urgency of the issue concerning successors and stepping up the training and education of young cadres; and strengthening unity and continuously enhancing the coordinated efforts and combat effectiveness of leading bodies.

Lu Chuanzan emphasized: The endeavor to improve leading bodies should be geared to and serve the principle of taking economic construction as the central task, and this principle should always dominate the entire process of improving leading bodies and the work of selecting and promoting cadres and adjusting and installing leading bodies so that a stable work mechanism can take shape. During the end-of-term reshuffle of city and county leading bodies in this year and the next, we should replenish the leading bodies with outstanding cadres who know about the economy and science and are competent in management. The endeavor of improving leading bodies should help the smooth progress of reform and opening up. We should overcome the ideas of following the beaten path and being content with things as they are, enhance the sense of urgency in conducting reform and opening up, further emancipate our minds, and have courage in practice. We should train and attach importance to selecting cadres competent in the export-oriented economy, improve the structure of leading bodies, and intensify the training of cadres to increase their ability for leading reform and opening up. In improving leading bodies, we should adhere to the four

cardinal principles; step up efforts to raise the political and ideological levels of leading bodies; persistently put political integrity in the first place; promote to leading bodies people who have firm communist ideals and socialist faith, firm political stand, and high party spirit, who persist in and safeguard the party's leading position, who are loyal to the party's cause, and who have fairly high theoretical and policy levels in Marxism-Leninism-Mao Zedong Thought, and build all party and government leading bodies into strong leadership cores which are politically firm, ideologically united, honest and diligent, bold in reform, proficient in the economy and management, and capable of leading the masses in building socialism with Chinese characteristics.

Lu Chuanzan pointed out: We should fully understand the extreme importance and urgency of the issue concerning successors and step up the training and education of young cadres. Party committees at all levels should conscientiously study our party's theory on training proletarian successors to carry on the revolutionary cause and emphasize the Marxist ideological and theoretical education of young cadres so that young cadres will have fairly high Marxist theoretical quality and the ability to distinguish right from wrong, enhance their socialist faith, and firmly embrace communist outlook on the world and life. They should adopt various measures to send young cadres group by group to undergo training through practice to attain the defined purposes so that they will truly learn the Marxist stand, viewpoints, and methods through practice; enhance the mass viewpoint and their ties with workers and peasants; embrace the idea of serving the people and realistic work styles; and increase their ability for organization and leadership, for controlling the overall situation, and for coping with and resolving complicated contradictions and problems. They should intensify the education of young cadres in party spirit so that they will take the initiative in guiding their own speeches and deeds with Marxist theories, overcome the numerous nonproletarian ideas, firmly embrace the ideas on party spirit, and become strong fighters who adhere to the four cardinal principles, conduct reform and opening up, oppose bourgeois liberalization, and take the initiative in resisting "peaceful evolution."

After analyzing the situation of Hebei's leading bodies at and above the county level, Lu Chuanzan said: Strengthening unity and continuously enhancing the coordinated efforts and combat effectiveness of leading bodies are important tasks that the provincial party committee urges party committees and organization departments to fulfill this year. Starting with education, we should raise the political and ideological qualities of the members of leading bodies, enhance their accomplishment in party spirit, improve inner-party democracy, and increase the ability of leading bodies for resolving their own contradictions. We should give different guidance to different cases. Regarding the leading bodies which have the symptoms of disunity, we should nip their problem of disunity in the bud. Regarding those whose problems are

conspicuous and who are unable to solve them through their own efforts, party committees at higher levels and pertinent departments should send personnel to help them in ideological rectification. Regarding those whose disunity lasts for so long that their work is adversely affected, we should organizationally adjust them resolutely. During the end-of-term reshuffle, we should successfully adjust and install leading bodies, lay a solid foundation for their unity, and pay particular attention to the selection of top leaders. Party committees at all levels should attach importance to the efforts to revolve the disunity of leading bodies. Principal leaders, especially top and second leaders, should adhere to principles, have courage in management, have ability in persuasion, resolve contradictions in a timely manner, and conscientiously hold responsibility for the unity of leading bodies.

Chen Yujie, Standing Committee member and director of the organization department of the provincial party committee, presided over the session on 10 January.

Nonparty Members Take Active Role in Hebei

*OW0503104492 Beijing XINHUA in English
1023 GMT 5 Mar 92*

[Text] Shijiazhuang, March 5 (XINHUA)—Members of non-Communist Party organizations in north China's Hebei Province have jointly proposed 12 moves on local economic construction since 1991, and all of them have been adopted by the provincial government.

These moves include promoting industrial and agricultural production, readjusting industrial structures, reversing the trend of inefficient operation of the textile businesses, setting up a high-tech developing zone, and revitalizing traditional Chinese medicine.

Hebei has over 10,000 members of non-communist parties, and most of them are experts. The non-communist parties include the Democratic League, China Revolutionary Committee of the Kuomintang (CRCK), China Association for Promoting Democracy (CAPD), and China Democratic National Construction Association.

Last March, after Shijiazhuang, capital of the province, was approved to set up a state-level high-tech developing zone, non-Communist Party members who are also scientists or technicians were greatly encouraged and they paid close attention to the construction of the developing zone.

They pinpointed many problems to be solved in the construction of the zone after a three-month survey. They raised effective proposals for solving these problems through the provincial committee of the Chinese People's Political Consultative Conference (CPPCC). These proposals were adopted by the local concerned department and put to practice. Local officials said that their proposals were of great help.

Li Wenshan, chairman of the Hebei Provincial CPPCC Committee, said that his committee altogether received 690 proposals in the past few years, including 22 from non-Communist Party members. The proposals were all discussed at the committee sessions. As resolutions, they were then sent to the provincial government for consideration.

Hebei has a population of 60 million, 80 percent of which are rurals. However, the public health conditions in the rural areas are poor. The fact drew the attention of some members of the Chinese Peasants' and Workers' Democratic Party (CPWDP).

After making a careful survey in five regions in the province, the CPWDP members pointed out that the provincial medical work should put more stress on the rural areas.

Experts from other parties were invited by the education, science, and culture group of the provincial CPPCC Committee to participate in the appraisal of the move proposed by the CPWDP members. As soon as the move was approved, the Hebei CPPCC Committee sent it to the provincial government.

Not long after that, the local public health department set out to carry out the move and increased input into rural public health undertakings and established training programs for rural doctors.

The province, also an important base of traditional Chinese medicine, however, faces a shortage of senior experts on traditional Chinese medicine.

Having made research in local hospitals and medical colleges and universities, several non-Communist Party members proposed a forum to be attended by prominent medical experts for solutions on revitalization of traditional Chinese medicine.

They collected the solutions and sent them to the provincial government. And soon the concerned department decided to set up a provincial school of traditional Chinese medicine and add faculties of traditional Chinese medicine in local medical colleges and universities, which will start enrolling students this year.

The provincial public health department has also taken efficient measures to help the local traditional Chinese medicine institute to develop research work.

Meanwhile, more and more non-Communist Party members have taken local leading positions. So far the vice-governor of the province, Wang Youhui, ranked the highest among local officials that are non-Communist Party members.

Wang Shusen, director of the provincial united front work department, said that he hoped more non-Communist Party members would take up leading posts, who will help supervise the ruling Communist Party and make the participation of the non-Communist Party members in state affairs more efficient.

Statistics show that 1,224 non-Communist Party members have taken leading positions at and above county level.

Hebei Takes Steps To Increase Foreign Investment

OW0503052692 Beijing XINHUA in English
0447 GMT 5 Mar 92

[Text] Beijing, March 5 (XINHUA)—North China's Hebei Province has set the targets in promoting foreign economic relations and trade for this year, according to today's "PEOPLE'S DAILY" [RENMIN RIBAO].

The province has planned to reach or surpass the national average growth rate in the increase of the export volume; to gain more overseas loans in various forms; and to set up more foreign funded enterprises and import more advanced technology and equipment.

During the Eighth Five-Year Plan period (1991-95), the province will concentrate its efforts on construction of 50 large- and medium-sized foreign-funded projects, technical transformation of 300 projects on which cash is used to import technology and equipment, and technical transformation of 1,000 old enterprises.

Power will be given to 20 export-oriented enterprises to allow them to directly develop the business of import and export with foreign firms. And the number of enterprises to be given such treatment will be increased in the future.

At the same time, the province will take great efforts to improve the investment environment, including the construction of more infrastructural facilities such as water and power supply systems and highways.

Huabei Oil Field Overfulfills 1991 Annual Tasks

SK0503233192 Shijiazhuang HEBEI RIBAO
in Chinese 14 Jan 92 p 1

[Summary] In 1991, Huabei oil field overfulfilled various production and construction tasks. The field produced 5,005,300 tons of crude oil and 252,400,000 cubic meters of natural gas, fulfilling the annual tasks by 100.11 percent and 107.5 percent respectively.

Hebei To Build New Airport Near Shijiazhuang

SK0503211892 Shijiazhuang HEBEI RIBAO
in Chinese 12 Jan 92 p 1

[Text] After meetings and consultations by relevant departments, a construction site of the Shenghui civil airport was studied and chosen. The airport will be built in Zhengding County (15 km away from Shijiazhuang City), and will accommodate four air routes: to Beijing, Taiyuan, Shanghai, and Guangzhou.

Manzhouli To Become International Trade City

OW0503081492 Beijing XINHUA in English
0548 GMT 05 Mar 92

[Text] Hohhot, March 5 (XINHUA)—The government of north China's Inner Mongolia Autonomous Region will make efforts to build Manzhouli City, in the east of the region, into an international trade city in the next few years.

This remark was attributed to local official Wang Qiong.

At present, a customs building, international passenger railway station, international trade building, comprehensive goods yard, oil depot and international communications building have been set up there.

Border markets, both official and unofficial, have also been set up in the city.

Manzhouli, which is situated on the northern border of China, is connected with Mongolia, the Commonwealth of Independent States (CIS) and Eastern Europe by rail and road. It has advanced transshipment and storage facilities.

The city has a history of nearly 100 years. After the Second World War it became the largest land trade port city in China because of its important strategic position. The majority of the goods China trades with the CIS and more than 30 European cities are shipped through Manzhouli.

At present, import and export throughput reaches four million tons in the city every year; it is said to be able to handle up to 350 million tons. Its international trade, border trade and entrepot trade figures all surpass those of China's interior port cities.

Meanwhile, the city has established international communications with more than 70 countries and regions. International train and telephone connections from Beijing to Moscow go through Manzhouli, and special telephone links through Manzhouli to the CIS have been opened recently.

A total of 70 foreign trade companies have been established in the city, all of which have the authority to negotiate, sign contracts and do business with foreign countries.

Within China, more than 700 enterprises have established trade relationships with the city, and 53 agencies and companies representing interior regions have been set up there to expedite exports.

Its brisk domestic and foreign trade has attracted the interest of more than 60,000 merchants from Japan, South Korea, Bangladesh, Syria, Europe and North America. Some substantial progress has been achieved in areas such as construction of deluxe hotels and setting up production bases for export merchandise.

Statistics show that in the last three years Manzhouli's border trade has reached 400 million Swiss Francs-worth. During the first two months of 1992 its trade with Mongolia, the CIS and Eastern Europe has reached 240 million Swiss Francs-worth.

Wang Qiong said, "This year we will first speed up foreign economic and technological co-operation and open some joint ventures. Then we will develop tourism and improve trade through tourism."

Inner Mongolia Shows Progress in Power Industry

*OW0503141392 Beijing XINHUA in English
1332 GMT 5 Mar 92*

[Text] Hohhot, March 5 (XINHUA)—China's first 200,000 kw blower-cooled generating unit is to be put into operation in northern China's Inner Mongolia Autonomous Region this year, bringing the region's operational power-generation capacity to 360,000 kw.

The preparation work for another five million kw power station, to be built with a loan of 170 million francs from the French Government, is under way.

According to Liu Zuohui, vice chairman of the autonomous region, Inner Mongolia's installed power capacity has more than doubled in the last three years—to 872,000 kw.

He added that in the coming four years another 2 billion yuan investment will enable the generating capacity in western Inner Mongolia to double again to more than 3 million kw.

Inner Mongolia abounds in coal resources. The proven coal reserves stand at 217 billion tons. However, its power industry used to progress slowly, owing to a lack of finances.

In 1988 the regional government decided to reinvest all the profits turned over by the power department into power construction and raise electricity fees to collect funds for the construction.

In the past three years the power industry has skyrocketed in the region. The power output grew by 13 percent, and profits and taxes by 37 percent.

Inner Mongolia's Energy, Material Base Increases

*OW0603092192 Beijing XINHUA in English
0851 GMT 6 Mar 92*

[Roundup: "China Speeds Up Construction of Energy and Raw Material Production Base"—XINHUA headline]

[Text] Hohhot, March 6 (XINHUA)—As China shifts its strategy of energy development westwards, the Inner Mongolia Autonomous Region has become a hot spot.

The total investment in this region's capital construction will top 6.6 billion yuan this year, equalling 70 percent of the total state investment in the whole region during the 1986-90 period.

Located in northern China, Inner Mongolia covers one eighth of the country's territory abounding in rich natural resources.

Statistics show that the reserves of rare earth, coal and timber rank first, second and fourth, respectively, in the country.

As early as in the 1950s, the state concentrated on the development of Inner Mongolia by allocating more than two billion yuan to help the region to set up an iron and steel complex in Baotou city in its southwest and Dahingganling Forestry Industrial Base in its east.

The coming decade is another surge for the region's overall development.

According to a survey report, Inner Mongolia has spent 9.8 billion yuan on capital construction over the past two years, equalling 39 percent of the total investment in this aspect during the 1986-90 period.

A regional official said that the investment in capital construction will surpass 7.3 billion yuan in 1993.

Construction of a number of large and medium-sized projects is being accelerated.

Included is the construction of coal and power projects as well as the Fengzhen-Junggar Railway in the Junggar Basin.

While constructing its facilities, the Yuanbaoshan open-cut coal mine has gone into production for two years.

Expansion of the South Huolinhe open-cut coal mine is near completion.

The first construction phase of the Yiminhe Coal and Power Joint Project is well under way with a total investment of three billion yuan.

The official noted that when the eight coal projects still under construction and expansion go into operation, they are expected to increase coal mining capacity by 40.6 million tons, approaching the annual national production output.

At the same time, the power plants in Yuanbaoshan, Yiminhe and Fengzhen will be expanded to have a total power generating capacity of 3.1 million kilowatts.

While speeding up construction of four special railways for coal transport, Inner Mongolia is upgrading the existing transport facilities.

Construction of China's longest local railway running from Jining to Tongliao in the region is proceeding well

with foreign funds totalling 557 million yuan. Upon completion next year, it will help transport coal to northeast and north China.

The region's energy development has promoted the expansion of the raw material industry.

After technical upgrading and expansion, the Baotou Iron and Steel and Rare Earth Company, the region's largest industrial enterprise, added to its mining capacity by 2.8 million tons, dressing capacity by 1.45 million tons, caustic soda production capacity by 1.5 million tons and iron and steel production capacity by three million tons respectively.

The nine forestry bureaus in the Dahingganling Forest Zone will raise timber production capacity by 133,000 cubic meters this year.

In addition, caustic soda plants and other chemical industrial enterprises in Inner Mongolia are expanding their production capacity to meet the needs of economic development of the region as well as other parts of the country.

First Phase of Jining-Tongliao Railway Completed

SK0503232992 Hohhot NEIMENGGU RIBAO
in Chinese 17 Jan 92 p 1

[Summary] Effective 14 January, the track laid for the west section of Jining-Tongliao Railway extended to Zhengxiangbai Banner. Before that, 403 km of track were laid for the east and west sections of the Jining-Tongliao railway, thus smoothly fulfilling the first-phase. From Jining in the west to Tongliao in the east, this railway is 943 km long. The total investment was 1,232,800,000 yuan. Being built in five sections, the entire line began construction in June 1990 and will be completed at the end of 1993. Covering a total length of 403 km, the first-phase track-laying project has been worked on in the east and west sections simultaneously. The east section of the railway is 187 km long, running from Tongliao North Station to Tianshan Town in Ar Horqin Banner. This section was completed on 12 December 1991, prefulfilling the task by 19 days.

Shanxi Vice Governor Dismissed for Negligence

HK0603063792 Beijing ZHONGGUO XINWEN SHE
in Chinese 0900 GMT 5 Mar 92

[Report by Peng Weixiang (1756 0251 4382): "Shanxi Vice Governor Li Zhenhua Removed From Office for Seriously Bureaucratic Performance"—ZHONGGUO XINWEN SHE headline]

[Text] Beijing, 5 Mar (ZHONGGUO XINWEN SHE)—Officials at the Ministry of Supervision said today that the seriously bureaucratic work style of Shanxi Vice Governor Li Zhenhua had caused a major case of death and injury, and that the State Council had decided to dismiss him from his post.

On 24 September 1991, a serious case of death and injury occurred in Yingze Park in Shanxi's Taiyuan, where a "Light of Coal Sea [as published]" lantern exhibition was under way. The Ministry of Supervision verified that this was a serious case caused by the seriously bureaucratic work style and negligence of the officials concerned, and by dereliction of duty among the workers concerned.

In September 1991, Shanxi Province organized in Taiyuan a Shanxi Friendship and Exchanges With Foreign Countries Week, a Shanxi International Gong and Drum Festival, and the Second Chinese Folk Arts Festival ("one week and two festivals" for short). The "Light of Coal Sea" lantern exhibition was one of the important programs of the function. At 2035 on 24 September, the situation became out of control, and there was chaos; on the Seven Holes Bridge in Yingze Park there was serious overcrowding, leading to a major case of death and injury among the spectators who had come to see the lanterns.

Officials at the Ministry of Supervision said that Vice Governor Li Zhenhua, who was chairman of the committee for organizing the "one week and two festivals," neglected safety and security work when providing leadership to the organizing committee and, in particular, did not exercise effective leadership over the organizing of the function of the "Light of Coal Sea" lantern exhibition, failed to perceive some obvious signs indicating the possibility of accidents at the exhibition, failed to promptly take effective measures to deal with some important problems of safety and security work, and therefore had undeniable leadership responsibility for the accident.

After the accident, the State Council attached great importance to it, and instructed the Shanxi Provincial People's Government and the departments concerned to deal with the aftermath of the accident, as well as to make clear the reason for the accident and seriously handle those responsible for it. Recently, the State Council decided that the 18 other persons who had responsibility for it would be subjected to party and state disciplinary sanctions by the departments concerned, and that those whose acts constituted crimes would have their criminal responsibility pursued by the judicial organs.

Tianjin 1992 Export Commodities Fair Opens 1 Mar

OW0103132092 Beijing XINHUA in English
1236 GMT 1 Mar 92

[Text] Tianjin, March 1 (XINHUA)—China's 1992 Tianjin export commodities fair opened today and will run for 10 days.

The most important trade fair after the Guangzhou export commodities fair, the Tianjin fair is authorized by the Ministry of Foreign Economic Relations and Trade and jointly sponsored by 10 municipalities, provinces and ethnic autonomous regions.

Some 280 import and export enterprises have set up over 380 stalls displaying about 10,000 goods for export.

Besides discussing exports, the visitors will also have talks on business and economic cooperation. Some 2,000 overseas businessmen will attend the fair.

Northern China, northwestern China and Tibet, which cover 58 percent of China's territories with a population of two hundred million, are the regions of most latent capacity.

These areas are rich in coal, oil, natural gas, iron, copper, aluminium and other mine resources. It also has a large output of cotton, grains and edible oil. The export volume of these areas last year totaled 7.1 billion U.S. dollars, the import volume reached 3.5 billion U.S. dollars.

Li Shenglin, Tianjin's deputy mayor in charge of foreign trade said that in this fair, products made by criminals on labour reform or child labor are strictly forbidden.

Tianjin Port Bonded Park Opens for Business

OW0603090792 Beijing XINHUA in English
0829 GMT 06 Mar 92

[Text] Tianjin, March 6 (XINHUA)—The newly-opened bonded park in Tianjin port in north China is becoming a hot point for foreign investment.

So far 29 companies from seven countries including the United States, Japan, Panama and Hong Kong have been approved to set up in the fenced park covering 1.2 square kilometers.

Nine of them have got licences for business and registered 23.21 million of their 29.64 million U.S. dollars of investment.

China has approved the opening of four bonded parks. They are Futian and Shatoujiao in Shenzhen, one of China's special economic zones in Guangdong Province, Waigaoqiao in Shanghai and Tianjin port. The Tianjin port bonded park is the only free trade zone with the function of international transit trade similar to Hong Kong.

Since the park opened [for] business four months ago, it has already leased out 130,000 square meters of land, accounting for 13 percent of the total area to be leased though its price for land is higher than the neighboring economic and technical development zone.

XINHUA: Tianjin Municipality Sinking Halted

OW0203134892 Beijing XINHUA in English
1259 GMT 2 Mar 92

[Text] Tianjin, March 2 (XINHUA)—Northern China's major industrial and coastal port city of Tianjin has stopped sinking, according to local officials.

Surveys conducted over six consecutive years by the municipal Bureau of Geology and Mineral Resources found that the annual rate of sinking has been slowed to 12 mm over the whole municipality and 9.57 mm in the downtown.

Tianjin, the lowest coastal city in China, was first found to be sinking in 1959, and this was said to be due to excessive use of underground water. From 1959 to 1985 some parts of the city sank by over two m [meters].

From 1986 the city government launched two three-year programs to control the use of underground water in this dry northern city to stop the sinking trend. Sinking was reduced from 86 mm in that year to 12 mm in 1991.

A total of 40 million yuan was invested during this time to seal nearly 700 wells to cut down the consumption of underground water by 50 million cu m a year. Meanwhile, some 76 installations injected 1.5 million cu m of water into the ground.

Northeast Region

Heilongjiang Issues Forestry Development Plans

SK0403131892 Harbin Heilongjiang People's Radio
Network in Mandarin 1000 GMT 1 Mar 92

[Text] The provincial forestry department recently issued three measures for deepening reform—a plan for controlling crises and developing forestry, a plan for invigorating state forest farms, and a plan for management of the industrial enterprises operated by forest farms—in an effort to extend the degree of reform and promote forestry in an all-around manner.

Developing the spirit of self-reliance in handling crises and pursuing development, staff members and workers of forestry departments overcame difficulties to control crises and develop forestry last year and achieved great results in the building and management of forests, timber production, the development of the industries operated by forest farms, and diverse production—the four pillars in forestry production. To deepen and extend the degree of reform, the provincial forestry department put forward at the recent provincial conference of directors of forestry bureaus the three reform plans for controlling crises and developing forestry, for invigorating state forest farms, and for the management of the industrial enterprises operated by forest farms. The basic ideas for these three plans are as follows. Taking the road of developing ecologically sound forestry, we should build well an ecological protective screen and develop well the green industry. We should place the work of building and managing forests in the fundamental position. We should develop forestry through various measures, build forests of various types, and plant trees of various strains. We should accelerate the cultivation of forest resources with the focus on the six major projects—building shelterbelts in north, northeast, and northwest China; improving the sandy land along Nen

Jiang; building forests to conserve water and soil for the development of the Sanjiang Plain; attaining the afforestation targets assigned to plain areas, building commercial forest bases; and protecting trees by restricting access to forests. We should emancipate our minds and quicken the pace in changing the operating mechanism to increase the autonomy of state forest farms in managing nurseries of young plants and enterprises, allowing grass-roots levels to handle independently their own production and managerial work to increase the vigor of forest farm and grass-roots units. We should eliminate the iron rice bowl, life-long tenure in posts, and guaranteed wages to accelerate the reforms of the personnel, labor, and distribution systems to fully boost the enthusiasm of forestry workers. We should greatly develop the industries and diverse production operated by forest farms to increase the economic benefits. We should develop compound forestry in an all-around manner this year, with the focus on developing the interplanting of trees with crops, melons, and medicinal herbs, which should be expanded to 300,000 mu in the province, so that a new breakthrough can be achieved in controlling crises and developing forestry.

Jilin Simplifies Procedures for Overseas Investors

OW0603090892 Beijing XINHUA in English
0818 GMT 06 Mar 92

[Text] Beijing, March 6 (XINHUA)—Northeast China's Jilin Province has simplified the procedures for examining and approving foreign funded projects as an effort to draw more overseas capital.

During the 1986-1990 period, Jilin experienced a fast development of overseas invested projects. By the end of 1991, the province had a total of 255 such projects. Of the new companies, the Volkswagen Automobile Corporation, a Sino-German joint venture, is currently the largest foreign funded project in the country's machinery industry.

Recently, the provincial government has also set up a leading group headed by the governor to coordinate matters related to foreign investment.

The new regulations have drafted the necessary procedures and functions of the leading group.

Except for those projects which need to be approved by the central government, one stop service or joint examination attended by different departments should be provided to quicken the examination process, according to the regulations.

Liaoning Reports 'Gratifying' 1991 Foreign Trade

SK0503233792 Shenyang LIAONING RIBAO
in Chinese 13 Jan 92 p 1

[Summary] Liaoning Province's foreign trade enterprises made gratifying achievements in exports in 1991. Their total volume of foreign trade reached \$5.77 billion, ranking the province second in the country. Of this

figure, exported commodities turned out by locally-run enterprises reached \$3.208 billion, a 27.7 percent increase over 1990, surpassing the state assignment by 35.5 percent; exported grains reached \$210 million.

Liaoning Commodity Retail Sales Increase in 1991

SK0503233992 Shenyang LIAONING RIBAO
in Chinese 14 Jan 92 p 1

[Summary] Liaoning Province reached 50.99 billion yuan in commodity retail sales in 1991, a 499 million yuan and 10.85 percent increase over 1990. Of these sales, consumer goods reached 46.62 billion yuan, a 10.7 percent increase over 1990; agricultural production reached 4.37 billion yuan, a 12.4 percent increase over 1990. Out of 14 cities throughout the province, six cities, including Dalian, Fuxin, and Panjin, surpassed the provincial average.

Dalian's Environment Said Among Nation's Best

OW0503052892 Beijing XINHUA in English
0451 GMT 5 Mar 92

[Text] Beijing, March 5 (XINHUA)—The environment quality of Dalian, a port city in northeast China's Liaoning Province, proved to be the best among the Chinese cities, the OVERSEAS EDITION of the "PEOPLE'S DAILY" [RENMIN RIBAO] reported today.

The environment protection committee under the State Council organized surveys of 32 major cities across the country for the past two years. Dalian City topped the list in the quality of water, air and other environment indexes.

The drinking water of the city has been tested to be at the highest standard. Garbage and various wastes have been moved away in time. The dust and micro elements hanging in the air rate 0.159 milligrams per cubic meter, ranking the third in the country.

All the smoking chimneys have been installed with dust filtering devices. About 85 percent of industrial sewage has been treated.

The paper reported that the city government has listed the environment protection as an important item in the city's over-all development plan and carefully worked out the structure of industries. Major industrial sectors have been shifted to the suburban areas.

Among the urban residents, more than 400,000 households are using gas for cooking.

Northwest Region

Gansu Secretary Addresses Provincial Meetings

On Family Planning Work

*HK0503140492 Lanzhou Gansu People's Radio
Network in Mandarin 2300 GMT 1 Mar 92*

[Excerpt] Yesterday, the provincial party committee and government called a joint provincial meeting on family planning in Lanzhou to commend and award 12 prefectures, autonomous prefectures, and cities which scored outstanding achievements in family planning last year. During the meeting, the provincial party committee and government committed all localities to sign the 1992 letter of responsibility for controlling population growth.

A total of 14 prefectures, autonomous prefectures, and cities across the province succeeded in controlling population growth as planned last year. Other than a few prefectures and autonomous prefectures, most prefectures and cities in this province have relied mainly upon regular control to check excessive population growth.

At the meeting, the provincial party committee and government called on all localities across the province to make persistent efforts to achieve still greater achievements in family planning.

In his speech, provincial party committee Secretary Gu Jinchi emphasized: Party organizations at all levels throughout the province should strengthen political and ideological indoctrination to promote family planning. All party members in the province should set an example in family planning to other people in society. While acting according to the policy on family planning, they should vigorously encourage other people to exercise birth control, serving the broad masses of people.

Governor Jia Zhijie said: The key to improving family planning this year lies in exercising regular, scientific, and institutionalized control over the work. All localities must adhere to the principle that the most senior cadres in party committees and governments must take personal charge, constantly strengthen related propaganda and education, and make family planning the masses' voluntary action. [passage omitted]

Democratic Consultation Meeting

*HK0603092892 Lanzhou Gansu People's Radio
Network in Mandarin 2300 GMT 2 Mar 92*

[Text] Yesterday afternoon, the provincial party committee invited some non-CPC personages to a democratic consultation meeting held in Lanzhou to discuss some personnel arrangements.

Provincial party committee Secretary Gu Jinchi presided over and delivered a speech at the meeting in which he expressed the hope that all the non-CPC personages participating in the meeting would freely air their views and opinions and put forth proposals on the matters under discussion.

Yang Zhenjie, provincial party committee Standing Committee member and organization department director, gave an account of the situation.

Wang Yizhi, Ma Guanluo, Qian Shaowen, Zhang Yan, Han Tiecheng, Gungtamcang, and others spoke at the meeting, expressing their approval of the personnel arrangements proposed by the provincial party committee, and stated the hope that the provincial authorities will continue to pay attention to the selection and promotion of women cadres, non-CPC personages, and ethnic minority cadres.

The meeting was attended by nearly 100 people, including representatives of the provincial branches of various democratic parties, the provincial industry and commerce federation, various religious organizations, mass organizations, and minority nationalities.

Provincial leaders attending the meeting included: Li Ziqi, Jia Zhijie, Xu Feiqing, Ge Shiyang, Yan Haiwang, Xing Anmin, Li Fusheng, Jamyang Losang Jigme Tubdain Qoigi Nyima, Jing Yanmian, Sun Xiaozhen, Yan Shutang, Zhu Xuanren, and Chen Jianhong.

Jia Zhijie Addresses CPPCC Committee Forum

*HK0603092792 Lanzhou Gansu People's Radio
Network in Mandarin 2300 GMT 2 Mar 92*

[Excerpts] Yesterday morning, provincial Governor Jia Zhijie arrived at the Lanzhou Friendship Hotel where he joined persons in charge of the provincial branches of various democratic parties as well as a number of provincial Chinese People's Political Consultative Conference [CPPCC] committee members in discussing plans aimed at promoting Gansu's development. [passage omitted]

At the forum, Provincial Governor Jia Zhijie delivered a speech in which he first and foremost expressed his thanks for the valuable views expressed by the provincial CPPCC committee members, said he had learned a lot by attending such a high-level forum, and pledged to conscientiously discuss the views of the provincial CPPCC committee members and embody such views in a revised government work report.

Yesterday's forum was presided over by provincial CPPCC committee chairman Ge Shiyang and attended other provincial leaders, including provincial Vice Governor Mu Yongji. [passage omitted]

Conference on Developing Trade Cooperation

OW0503154892 Beijing XINHUA in English
1428 GMT 5 Mar 92

[Text] Guangzhou, March 5 (XINHUA)—The economic and trade co-operation between the mainland and Taiwan has developed rapidly during the past year, according to a joint conference held here Wednesday.

The conference was held between the mainland's Economic and Trade Coordination Committee for the Two Sides of the Straits (ETCCTSS) and the Business Affairs Coordination Committee for the Two Sides of the Straits (BACCTSS). More than 80 members from the two committees attended it.

Statistics released by the conference showed that the indirect trade volume across the straits reached 5.79 billion U.S. dollars-worth in 1991, an increase of 43.3 percent over 1990.

The statistics also revealed that the mainland's export volume to Taiwan reached 1.13 billion U.S. dollars-worth and its imports from Taiwan reached 4.67 billion U.S. dollars-worth in 1991.

In addition, according to the statistics, the mainland imported more than 1 billion U.S. dollars in Taiwan investment and approved some 1,500 projects using Taiwan funds last year.

According to the organizers of the joint conference, the ETCCTSS and the BACCTSS plan to jointly hold an economic arbitration seminar, taxation seminar, and patent and trade mark seminar for businessmen from the two sides of the Taiwan Straits this year.

In addition, they will bring industrialists and businessmen from Taiwan to tour the economically-developed provinces of Jiangsu, Heilongjiang and Sichuan this year.

Editorial Urges U.S., Japan To Cease 'Bashing'*OW0503152792 Taipei CNA in English 1410 GMT
5 Mar 92*

[Editorial published in EXPRESS NEWS, a CNA newspaper, on 5 March: "Stop Bashing Each Other"]

[Text] Taipei, March 5 (CNA)—It seems we are not the only ones who are concerned that the United States and Japan may be heading on a collision course. THE WASHINGTON POST, one of the most politically influential newspapers in the United States, carried a feature story recently to point to a downturn in the relations between Washington and Tokyo following President George Bush's visit to Japan in January. As the POST pointed out, while this downward trend has not affected the relationship at the official level, it has already led to strong anti-Japanese, and even anti-Asian American, abuse and discrimination in the United States. Two other prestigious newspapers, THE CHRISTIAN SCIENCE MONITOR and THE NEW YORK TIMES, also felt worried enough about this surge of racial discrimination to run editorials on the matter.

All three U.S. papers point fingers at the political rhetoric by politicians in the two countries as responsible for the growing racial resentment between the two peoples. THE WASHINGTON POST, in particular, blamed U.S. President George Bush and Japanese Prime Minister Kiichi Miyazawa not only for their complicity of such rhetoric, but also adding fuel to the fire with statements addressed to their home constituencies.

(?Political) rhetoric that scapegoats a foreign country for a nation's domestic problems may win votes for politicians. This is undoubtedly the major reason for the mutual bashing between Japanese and American politicians. But such rhetoric could lead to the unleashing of xenophobic emotion beyond the control of political leaders, resulting in permanent damage to the relationship and even the possibility of hostility.

As we noted in this column previously, there are incompatible cultural differences between the Japanese and the Americans. These differences, however, have been held in check during the post-World War II period, first by American military supremacy and then by the two countries' common interest in resisting Soviet expansion. Such constraining factors are disappearing, however, with the collapse of the Soviet Union, and the end of the cold war. The emergence of trade as the most important issue in U.S. foreign policy also helped bring the differences to the fore.

The United States has always regarded its relationship with Japan as the centerpiece of its policy in East Asia. As fellow Asians, we also believe the relationship between Washington and Tokyo is crucial to the peace and security of the area. While we also have trade complaints against Japan, we believe a rupture between Washington and Tokyo serves no one's interest. It is therefore urgent that

the politicians in Japan and the United States stop their mutual bashing before it is too late.

New East Europe, CIS Trade Association Founded*OW0603102292 Taipei CNA in English 0832 GMT
6 Mar 92*

[Text] Taipei, March 6 (CNA)—An association of Taiwan businessmen interested in tapping the potentially immense markets in East European countries and the Commonwealth of Independent States (CIS) was founded Thursday to promote their common cause.

The 46-member association, headquartered at the Taipei World Trade Center, was established with the help of the semi-official China External Trade Development Council (CETRA), an association spokesman said.

Tsui Chung, president of the new group, said the East European Trade Promotion Association will pool the wisdom and energy of local companies to explore the vast markets in the former east-bloc countries that are struggling to transform their centrally-run communist economies into market-oriented systems.

"The fraternity club will provide a forum for local businessmen to exchange views and opinions on how to make inroads into CIS and other East European markets," Tsui explained.

The association will meet twice a month so its members can exchange information about trade opportunities and the latest market trends in that part of the world and discuss ways to tackle problems they encounter in doing business there.

Addressing yesterday's inaugural meeting, Santing Kung, director of the Foreign Ministry's European Affairs Department, said developments in most East European countries and the former Soviet Republics remain uncertain and fickle.

"The new association will hopefully help our businessmen better understand the latest developments in that rapidly changing part of the world and will help them capture profitable business opportunities there," Kung noted.

Vice Economic Affairs Minister P.K. Chiang, another guest speaker, pointed out that East Europe, with its rich natural resources and high technological levels, has great development potential.

"I'm convinced that East Europe, after ridding itself of its obsolete centrally-run economies, is a promising market worthy of our energetic tapping," Chiang remarked.

Russian Statement Will Not Affect Fishery Pact

OW0603090692 Taipei CNA in English 0826 GMT
6 Mar 92

[Text] Taipei, March 6 (CNA)—Russia's low-profile attitude will not affect a Taiwan-Russian fishery cooperation agreement signed in Moscow last week, a Council of Agriculture (COA) official said Friday.

Li Chien-chuan, a COA department chief in charge of fishery affairs, was commenting on a Russian Foreign Ministry statement issued Wednesday that the just-concluded Taiwan-Russian accord is a nongovernment "commercial deal" which does not entitle Taiwan fishing boats to operate in Russian waters and call at Russian ports.

"The Russian statement does not conflict with the agreement concluded between our Overseas Fishery Development Council (OFDC) and Russia's largest fishery conglomerate Sovrybflot [as received]," Li observed.

Under the OFDC-Sovrybflot agreement, Li explained, the two organizations will form a joint venture to help fishing companies from each other's countries embark on joint operations in the seas off Russia's Far East coasts.

The agreement, inked by COA Vice Chairman Chiu Mau-ying in his capacity as OFDC chairman and Sovrybflot Vice Chairman V. Tyurnikov, clearly stipulates that the two sides will cooperate in squid and cod fishing in Russia's Far East Economic Zone and in sea food processing.

The agreement does not "unilaterally" entitle Taiwan fishing boats to "unilaterally" operate in Russian waters or to berth at Russian ports, Li noted.

But, Li stressed, under the agreement Taiwan companies may lease their fishing boats to the Russians to operate in Russian waters. Taiwan boats may also be allowed to fish in Russian waters after paying fees, he added.

Li reported that the government-funded OFDC will organize a delegation of fishery officials and industry leaders to visit Vladivostok, the most important commercial and fishery bastion in Russia's Far East region this coming May.

During the visit, the mission will discuss definitive cooperative projects with Russian fishery companies, Li said.

According to the OFDC-Sovrybflot agreement, the two parties will help promote Sino-Russian cooperation in deep-sea fishing, aquaculture and sea food processing, as well as arrange the exchange of visits by fishery experts from both countries.

President Chamorro To Sign Cooperative Agreements

OW0603084192 Taipei CNA in English 0755 GMT
6 Mar 92

[Text] Taipei, March 6 (CNA)—The Republic of China [ROC] and Nicaragua will formally sign three cooperative agreements Friday afternoon to further strengthen ties in diplomatic, agricultural and cultural fields.

Visiting Nicaraguan President Violeta Barrios de Chamorro will decorate President Li Teng-hui and Vice President Li Yuan-zu Friday evening in appreciation of their contributions to the promotion of Sino-Nicaraguan relations.

President Chamorro met with several entrepreneurs here Friday morning to try to attract them to invest in Nicaragua.

For deciding on the final wording of the three agreements, ranking Nicaraguan officials held a series of discussions with ROC officials in the morning.

Mrs. Chamorro, accompanied by Vice President Li and his wife, made a one-day trip Thursday to Kaohsiung in southern Taiwan, where she visited the Nantzu Export Processing Zone, the China Steel Corp. and the China Shipbuilding Corp.

At the Nantzu Export Processing Zone, President Chamorro and her entourage heard a briefing by Wang Kuei-sheng, director general of the Export Processing Zone administration, on export processing operations in Taiwan.

Wang told his guests that export processing zones have contributed greatly to Taiwan's economic development, and that his administration can help Nicaragua develop similar zones.

Concern Voiced Over Family's Death in Hainan

OW0603085792 Taipei CNA in English 0808 GMT
6 Mar 92

[Text] Taipei, March 6 (CNA)—The government is extremely concerned about the mysterious deaths of Lin Chih-hsien, a Taiwan businessman, his wife and child in Hainan Province, mainland China.

Premier Hao Po-tsun told a cabinet meeting Thursday that "we must take responsibility to protect our own people."

Lin's brother Lin Han-chen said Lin called home on December 25 last year; the three-member family were reported dead on February 22.

When Lin Han-chen and Lin Ching-hsin, another brother, went to Hainan island to handle the incident, mainland Chinese public security officials told them that all three had "committed suicide," Han-chen reported.

Lin Han-chen refused to sign the death certificates because he was suspicious. The mainland officials then

said Lin Chih-hsien, 33, Kao Ling-chen, 31, and their seven-year-old boy Lin Tzu-yuan had "died of natural causes."

Unconvinced, the two brothers managed to visit the house in which they had died and found fragments of brain tissue and blood; they also found that electricity in the basement had been cut off, that the servant and a dog were missing, and that millions of dollars worth of belongings had all disappeared.

Lin Han-chen said he could see no reason for his brother to commit suicide. If the family had died of "natural causes," how could that have happened to a seven-year-old boy? Han-chen asked.

What made the Lin family of Ilan, northeast Taiwan, even more upset is that Communist Chinese authorities had cremated the bodies of the three without the consent of their next of kin.

Their ashes were brought back to Taiwan Thursday. Lin Han-chen said he will give a press conference Friday to explain his "many points of suspicion" and to demand that mainland authorities investigate to find the truth of the case.

The mysterious deaths have aroused grave concern in all sectors of society here; the Mainland Affairs Council [MAC] reported it had received 14 requests for help in locating 53 Taiwan people detained or missing on the mainland.

Kao Kung-lien, MAC vice chairman, reminded people here that the Transportation and Communications Ministry has listed mainland China as a "high-risk" area for visitors.

Economic Affairs Minister Vincent Siew urged Taiwan businessmen heighten their vigilance so as to protect themselves on the mainland.

Expressing his grave concern, Premier Hao asked the MAC to try to get to the roots of the matter. "We must bear our part of the responsibility, and act quickly," he said.

Businessmen Demand Mainland Protect Investments

OW0603085892 Taipei CNA in English 0815 GMT
6 Mar 92

[Text] Taipei, March 6 (CNA)—Taiwan's business sector demanded Thursday that the government add three "economic principles" to its three political conditions while negotiating direct shipping links with mainland China.

Officials of the Chinese Federation of Industries said the three economic principles are protection of Taiwan investments, opening of mainland markets, and lifting of controls on the lines of business in which they are allowed to invest.

Only when mainland Chinese authorities meet the three "economic conditions" will it be meaningful to open direct transportation links across the Taiwan Straits, the business leaders argued.

The government has demanded that both sides of the straits recognize each other as equal political entities, that Peking give up attempts to invade Taiwan, and that Peking stop trying to isolate Taipei in the international community.

Federation leaders, during a board of directors and supervisors meeting, concluded that their three "economic conditions" will help strengthen their bargaining power while negotiating over investment projects with the mainland.

Taiwan businessmen have invested a total of \$2.5 billion in 2,800 projects on the mainland, the Chung Hua Institute for Economic Research estimates.

The Taiwan investments have created jobs for mainland people and helped improve their living standards.

Social order in the mainland's special economic zones, where most Taiwan investments are concentrated, however, is not good, a ranking Economics Ministry official said.

Many Taiwan businessmen have complained of being robbed there, the official reported.

The mysterious deaths of Lin Chih-hsien and his family in Hainan Province, southern China, is but a tip of the iceberg, he added.

If Taiwan businessmen, in the wake of the Hainan island incident, switch their planned investments from the mainland to southeast Asia, mainland people will suffer greater losses than Taiwan people, the official observed.

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